



Roll Call Number

18-0058

Agenda Item Number

37

Date January 8, 2018

RESOLUTION APPROVING PRELIMINARY TERMS OF AN URBAN RENEWAL AGREEMENT WITH KOK VERMONT STREET, LLC, FOR SALE OF CITY-OWNED REAL ESTATE IN THE VICINITY OF 1300-1350 VERMONT STREET

WHEREAS, subject to receipt of the City incentives identified below, Storey-Kenworthy Company, through a subsidiary, KOK Vermont Street, LLC, represented by Todd Mendenhall, officer, proposes to purchase the City-owned property in the vicinity of 1300-1350 Vermont Street and more specifically described as follows, for a purchase price of \$210,000 for redevelopment with a new high cube warehouse containing approximately 60,000 square feet and related site improvements at an estimated project cost of \$3.9 million, for an expansion of the Storey-Kenworthy business operations:

BLOCK 16 IN CENTRAL PLACE, AN OFFICIAL PLAT, AND ALL OF THE EAST HALF (1/2) OF THE VACATED ILLINOIS STREET RIGHT OF WAY LYING WEST OF AND ADJOINING SAID BLOCK 16,

-EXCEPT THAT PART OF LOT 11 IN SAID BLOCK 16, THAT WAS PREVIOUSLY ACQUIRED BY THE CITY OF DES MOINES, IOWA AND RECORDED IN BOOK 4481 PAGE 430 AT THE RECORDER'S OFFICE OF POLK COUNTY, IOWA-

AND

-EXCEPT THAT PART OF VACATED ILLINOIS STREET RIGHT OF WAY AND THAT PART OF LOTS 16 THROUGH 22, IN SAID BLOCK 16 PREVIOUSLY CONVEYED BY THE CITY OF DES MOINES, IOWA AND RECORDED IN BOOK 7366 PAGE 459 AT THE RECORDER'S OFFICE OF POLK COUNTY, IOWA -;

ALL NOW INCLUDED IN AND FORMING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA.

WHEREAS, the City's Office of Economic Development has negotiated Preliminary Terms of Agreement with KOK Vermont Street, LLC, hereby the City would provide economic assistance for the project consisting of:

- A forgivable loan in the amount of the purchase price, to be forgiven upon completion of the project in substantial compliance with the agreement and approved Conceptual Development Plan;
- An economic development grant in the amount of \$200,000, to be advanced in one installment on December 1st of the year following substantial completion of the project; and,
- An economic development grant in the amount of the out-of-pocket costs paid to unrelated third party contractors that are associated with the investigation and

(continued)



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remediation of environmental contamination on the site, with the amount of such grant not to exceed \$25,000, all as more specifically described in the accompanying council communication.

(Council Communication No. 18- 007)

MOVED by Gatto to receive, file and approve the Preliminary Terms of Agreement; to direct the Office of Economic Development to proceed with negotiation of a formal agreement with KOK Vermont Street, LLC, consistent with such preliminary terms; to refer the project to the Urban Design Review Board for review and recommendation on the conceptual development plan and the use of tax increment financing for the project; and to refer the project to all other City boards and commissions as appropriate.

FORM APPROVED:

Roger K Brown

Roger K. Brown

Assistant City Attorney

G:\APPDATA\LEGAL\Urban-Renewal\Central Place\Projects\KOK Vermont\Prefim\RC Approve Prelim Terms.docx

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
BOESEN	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
MANDELBAUM	✓			
WESTERGAARD	✓			
TOTAL	7			

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Diane Rauh

City Clerk

T. M. Franklin Council Mayor