



Roll Call Number

18-0772

Agenda Item Number

24

Date May 7, 2018

RESOLUTION APPROVING FIRST AMENDMENT TO ECONOMIC
DEVELOPMENT AGREEMENT WITH KEMIN INDUSTRIES, INC.,
AND KEMIN HOLDINGS, L.C.

WHEREAS, the City of Des Moines (the "City") and Kemin Industries, Inc., and Kemin Holdings, L.C. (collectively "Kemin"), are parties to an *Economic Development Agreement* (the "Agreement") approved on December 18, 2017, by Roll Call No. 17-2193, whereby in exchange for an Economic Development Loan to be provided by the City, Kemin Holdings agreed to acquire the "East Expansion Area" which is generally located south of Martin Luther King, Jr. Parkway, north of Maury Street, west of Southeast 23rd Street, and east of the Union Pacific Railroad right-of-way as illustrated in the attached Amended Exhibit "A", for the expansion of the Kemin World-wide Campus; and,

WHEREAS, the proposed expansion of the Kemin World-wide Campus will generate significant new economic opportunities by allowing Kemin Industries, Inc., to retain and expand its operations and employment in the vicinity of 1900 Scott Avenue and 2100 Maury Street; and,

WHEREAS, the East Expansion Area includes vacated streets and alleys and excess property (the "City Property") to be purchased from the City by Kemin for a purchase price of \$455,402, under that *Offer to Purchase Real Estate and Acceptance* (the "Offer") approved by the City Council on December 18, 2017, by Roll Call No. 17-2192; and,

WHEREAS, the Offer and Des Moines Council Communication No. 17-839 of December 18, 2018, which described the Offer and the Agreement, both contained late revisions arising from corrections to the final land area, to identify the purchase price for the City Property to be \$455,402, with \$138,153 to be paid in cash by Kemin at closing and the balance of \$317,249 to be paid with the proceeds the Economic Development Loan, but the Agreement was not revised to reflect those numbers; and,

WHEREAS, the Economic Development Director recommends approval of the proposed *First Amendment to Economic Development Agreement* (the "First Amendment") between the City and Kemin, which is on file and available for review in the office of the City Clerk, to amend the Agreement to correctly reflect the final purchase price for the City Property and the intended amount of the Economic Development Loan.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

1. The proposed *First Amendment to Economic Development Agreement* with Kemin is hereby approved.

(continued)



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2. The Mayor is authorized and directed to sign the First Amendment on behalf of the City of Des Moines, and the City Clerk is hereby authorized and directed to attest to the Mayor's signature on such document.
3. The City Manager or his designees are hereby authorized and directed to administer the Economic Development Agreement as amended by the First Amendment (collectively the "Amended Agreement"), on behalf of the City and to monitor compliance by Kemin with the terms and conditions of such Amended Agreement. The City Manager is further directed to forward to City Council all matters and documents that require City Council review and approval in accordance with such Amended Agreement.
4. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the proceeds of the Economic Development Loan as provided in the Amended Agreement.

(Council Communication No. 18- 337)

MOVED by Gray to adopt.

FORM APPROVED:

By: Roger K. Brown
Roger K. Brown, Assistant City Attorney

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| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|------|------|------|--------|
| COWNIE | ✓ | | | |
| BOESEN | ✓ | | | |
| COLEMAN | ✓ | | | |
| GATTO | | | | ✓ |
| GRAY | ✓ | | | |
| MANDELBAUM | ✓ | | | |
| WESTERGAARD | ✓ | | | |
| TOTAL | 6 | | | 1 |

MOTION CARRIED

APPROVED

T. M. Franklin Cownie
Mayor

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