



Roll Call Number

18-1938

Agenda Item Number

43

Date November 19, 2018

RESOLUTION APPROVING PRELIMINARY TERMS FOR AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH NELSON DEVELOPMENT FOR THE CONSTRUCTION OF A HOME2 SUITES HOTEL ALONG UNIVERSITY AVENUE, BETWEEN 26TH AND 27TH STREET ACROSS FROM DRAKE UNIVERSITY.

WHEREAS, Nelson Development (Alexander Grgurich, 505 5th Avenue, Des Moines, IA 50309) (the "Developer") proposes to construct an 86,300-square-foot, 5-story hotel/retail building along University Avenue, between 26th and 27th Street, across from Drake University that are presently parking lots; and,

WHEREAS, the project is proposed to house a Home2 Suites hotel with lobby and amenities on the first floor and 124 hotel rooms on floors 2-5. The building will also include 11,000 square feet in retail/restaurant space on the ground floor facing University Avenue; and,

WHEREAS, the project is anticipated to cost \$27 million and would begin construction in Spring 2019; and,

WHEREAS, in conjunction with the creation of a new urban renewal are for economic development, the proposal will encourage the location and expansion of a commercial enterprise and enhance, these underutilized parcels; and,

WHEREAS, the Developer is participating in MidAmerican's Commercial New Construction (CNC) program and will be working with the Weidt Group to maximize energy performance, with the existing plan to exceed energy code standards by 10% and to provide additional information on energy efficiency as the project continues through the design process; and,

WHEREAS, the Developer has agreed to provide additional information on energy efficiency as the project continues through the design process; and,

WHEREAS, the Developer has provided the Office of Economic Development with a financial analysis of the project and seeks a financial assistance package to be provided from project generated tax increment as more specifically described in the accompanying Council Communication.

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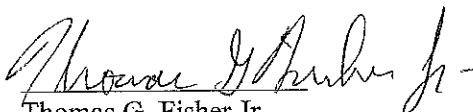
BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

1. The City Council hereby approves the preliminary terms of agreement as set forth in the accompanying Council Communication, and directs the City Manager or his designee to negotiate final terms of agreement for future consideration by the City Council.
2. City staff is directed to include language regarding the energy efficiency of the project.

MOVED by Mandelbaum to adopt.

(Council Communication No. 18- 606)

FORM APPROVED:


Thomas G. Fisher Jr.
Assistant City Attorney

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

MOTION CARRIED

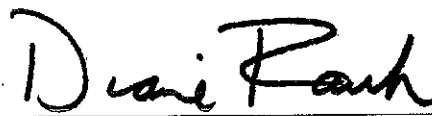
APPROVED


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.



City Clerk