



**Roll Call Number**

18-1995

**Agenda Item Number**

26

**Date** December 3, 2018

**APPROVAL OF SUBORDINATION AGREEMENT FOR DEVELOPMENT OF GRIFFIN BUILDING AT 319 7TH STREET**

**WHEREAS**, on July 9, 2018, by Roll Call No. 18-1159, the City Council received Communication No. 18-352 setting forth a developer-initiated proposal and preliminary terms of agreement with Des Moines Griffin Building, LLC (Tim Rypma, Jeremy Cortright, Paul Cownie, Development Members; Ron Daniels, Abe Wolf, Lead Investors)(“Developer”) for restoration and redevelopment of the Griffin Building, located at 319 7<sup>th</sup> Street in downtown Des Moines, with approximately 35 residential apartment units in the upper four floors and approximately 13,500 square feet of commercial space, including ground floor commercial uses and second floor office or retail uses (“Project”), which proposal has been awarded federal and State historic tax credits and State workforce housing tax credits, and directed the City Manager to proceed with negotiation of a development agreement with the Developer; and

**WHEREAS**, on September 10, 2018, by Roll Call No. 18-1544, the City Council approved an Urban Renewal Development Agreement with Developer, and exhibits thereto including the Conceptual Development Plan, for the Project on property legally described as:

The West Half of Lots 1 and 2 in Block 12 in Town of Fort Des Moines, now included in and forming a part of the City of Des Moines, Polk County, Iowa; and

**WHEREAS**, the Developer and its senior lender, Luana Savings Bank, have requested that the City subordinate the Urban Renewal Development Agreement recorded on November 7, 2018, in Book 17139, Page 970, in the office of the Polk County Recorder, to the mortgage held by Luana Savings Bank, pursuant to the Subordination Agreement in form on file with the City Clerk.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Des Moines, Iowa, that the Subordination Agreement by and between the City of Des Moines and Luana Savings Bank, is hereby approved; the Mayor is authorized and directed to sign the Agreement; and the Office of Economic Development is directed to administer said Agreement.

FORM APPROVED:

Glenna K. Frank  
Glenna K. Frank, Assistant City Attorney

MOVED BY Gatto TO ADOPT.

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

MOTION CARRIED

APPROVED

J. 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