



Roll Call Number

19-0478

Agenda Item Number

28

Date March 25, 2019

**RESOLUTION APPROVING PRELIMINARY TERMS OF AGREEMENT WITH JR PARTNERS, LLC, FOR HISTORIC RENOVATION AND REDEVELOPMENT OF A BUILDING LOCATED AT 401 E. COURT AVENUE**

WHEREAS, JR Partners, LLC (Tim Rypma, Jeremy Cortright and Paul Cownie, Members, 102 Court Avenue, Suite 204, Des Moines IA 50309) is proposing a \$3 million historic renovation of a 1-story, approximately 10,700-square-foot commercial building located at 401 East Court Avenue. The building was originally constructed in 1940 as the first purpose-built A&P Super Market in Des Moines; and,

WHEREAS, renovating and repurposing the buildings for new uses will enhance the commercial vitality of the Historic East Village further south and the renovated building will contain three separate commercial tenant bays potentially for retail and restaurant and other uses; and,

WHEREAS, the Development team is seeking federal and state historic tax credits and is working with the State Historic Preservation Office (SHPO) on design requirements; and,

WHEREAS, under the presently proposed terms, the project would receive tax increment financing on a declining schedule of project generated tax increment in years 1-5 of 90%, years 6-9 of 85%, years 10-12 of 80% and years 13-15 of 75% of the project generated tax increment on the building; and,

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

(Council Communication No. 19- 120 )

(Continued)



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MOVED by Gatto to approve the preliminary terms of agreement as set forth in the accompanying Council Communication, and to direct the City Manager or his designee to negotiate final terms of agreement for future consideration by the City Council.

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

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