



Roll Call Number

19-1645

Agenda Item Number

59 ✓

Date October 14, 2019

RESOLUTION APPROVING FIRST AMENDMENT TO AMENDED AND RESTATED URBAN RENEWAL AGREEMENT FOR SALE OF LAND FOR PRIVATE REDEVELOPMENT WITH GRAND 7 PARTNERS, LLC

WHEREAS, on April 11, 2016, by Roll Call No. 16-0631, the City Council approved an Urban Renewal Agreement for Sale of Land For Private Redevelopment with Grand 7 Partners, LLC (“Developer”), represented by Mike Nelson, which was amended by the First Amendment approved by the City Council on September 12, 2016, by Roll Call No. 16-1531, and further amended by the Second Amendment approved by the City Council on October 10, 2016, by Roll Call No. 16-1748; and

WHEREAS, on August 14, 2017, by Roll Call No. 17-1406, the City Council approved an Amended and Restated Urban Renewal Agreement for Sale of Land for Private Redevelopment with the Developer, whereby the Developer has agreed to develop the property in three phases as follows, in consideration of economic incentives to be provided by the City:

- Phase 1 to include the construction of a building (“skywalk node”) at the southwest corner of the site that provided a connection between the existing Grand Avenue skywalk bridge and the new 7th Street skywalk bridge, including the vertical connection on this block with an elevator and open air stairway connecting between the sidewalk and skywalk levels;
- Phase 2 to include the construction of a 3-story, 18,000 square-foot commercial building with ground floor restaurant and offices on the upper floors along the Grand Avenue frontage, where currently Microsoft’s local offices occupy one floor and a restaurant has recently committed to moving into the first floor with opening planned for summer 2020; and
- Phase 3 to include the construction of an apartment building with a minimum of six (6) floors and 75 market rate dwelling units at the 7th Street and High Street frontages; and

WHEREAS, the Developer has completed Phases 1 and 2 of said project in accordance with the Amended and Restated Urban Renewal Agreement and the City has issued the Certificates of Completion for said project phases; and

WHEREAS, the Developer has indicated that it will not be able to achieve the required project start or completion deadlines as currently set forth in the Amended and Restated Urban Renewal Agreement of November 1, 2019 and April 1, 2021, respectively, and has requested a one-year extension of each deadline; and

WHEREAS, City staff and the Developer have negotiated a First Amendment to the Amended and Restated Urban Renewal Agreement, in substantially the form on file in the office of the City Clerk, revising the project start and completion deadlines to November 1, 2020 and



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April 1, 2022, respectively, and revising related dates associated with the commencement of the City's tax abatement and economic development assistance for the project.

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

- 1. The proposed First Amendment to Amended and Restated Urban Renewal Agreement for Sale of Land for Private Redevelopment between the City and Grand 7 Partners, LLC, in substantially the form on file in the office of the City Clerk and subject to final approval as to form by the Legal Department, is hereby approved.
2. Following approval as to form by the Legal Department, the Mayor is hereby authorized and directed to execute the First Amendment on behalf of the City and the acting City Clerk is hereby authorized and directed to attest to the Mayor's signature on each such document.
3. The City Clerk shall forward a duplicate original or certified copy of the First Amendment to the Office of Economic Development for release to Grand 7 Partners, LLC.

(Council Communication No. 19- 452)

MOVED by Mandelbaum to adopt.

FORM APPROVED:

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

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, COLEMAN, GATTO, GRAY, MANDELBAUM, WESTERGAARD, and TOTAL.

CERTIFICATE

I, Laura Baumgartner, Acting 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.

J. M. Frankin Cownie Mayor

Laura Baumgartner Acting City Clerk

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not used.