



Roll Call Number

19-1841

Agenda Item Number

37

Date November 18, 2019

RESOLUTION APPROVING PRELIMINARY TERMS FOR AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH 611 FIFTH AVENUE, LLC FOR THE SUBSTANTIAL RENOVATION OF THE EXISTING OFFICE BUILDING AT 611 5th AVENUE.

WHEREAS, Knapp Properties (Chris Costa, Officer, 5000 Westown Parkway, Suite 400, West Des Moines, IA 50266 (the "Developer"), proposes an extensive renovation of the existing 5-story office building at 61 5th Avenue, Deas Moines, to provide class A office space to new corporate office tenants; 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.

WHEREAS, the Developer is participating in MidAmerican's Commercial New Construction Energy Efficiency Program and will be working with Willdan (formerly, the Weidt Group) to maximize energy performance, as the project continues through the design process; and,

WHEREAS, the Office of Economic Development has negotiated preliminary terms of an urban renewal development agreement with 611 Fifth Avenue, LLC with an economic development grant to be paid in 30-semiannual installments equal to 85% of the new tax increment created by improvements to the property in years 1-10 and 75% of the new tax increment generated in years 11-15, capped at a maximum amount of \$3.8 million (net present value).

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. (Council Communication No. 19- 501)

FORM APPROVED: Thomas G. Fisher Jr., Assistant City Attorney MOVED by Boesen to adopt

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, COLEMAN, GATTO, GRAY, MANDELBAUM, WESTERGAARD, and TOTAL (7).

CERTIFICATE
I, P. Kay Cmelik, 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.

MOTION CARRIED APPROVED
J. M. Frankin Cownie Mayor

P. Kay Cmelik City Clerk