

★ Roll Call Number

20 2015

Agenda Item Number

26

Date December 7, 2020

RESOLUTION APPROVING FIRST AMENDMENT TO URBAN RENEWAL DEVELOPMENT AGREEMENT WITH BRIDGE DISTRICT LEVEL, LLC, BRIDGE DISTRICT II TOWNHOMES, LLC, AND BRIDGE DISTRICT II, LLC (RICK TOLLAKSON; KRIS SADDORIS), FOR THE NEW CONSTRUCTION OF A 5-STORY, 114-UNIT MULTI-FAMILY HOUSING PROJECT AND 25-UNIT ROWHOME PROJECT LOCATED IN THE 300 BLOCK OF MAPLE STREET

WHEREAS, Hubbell Realty Company doing business as (d/b/a) Bridge District Level, LLC, represented by Kris Sadoris, Officer, has proposed to construct a new 114-unit multi-family residential project to be known as “Level”, located on a vacant site owned by Bridge District II, LLC (“Owner”) in the 300 block of Maple Street and part of Hubbell Realty Company’s master-planned “Bridge District” community, which is expected to include a mix of 1-unit to 4-unit bedroom apartments within a 5-story building and accommodate parking through indoor climate controlled parking and surface parking, at an estimated total project cost of \$26,900,000.00, subject to receipt of the financial assistance identified below; and

WHEREAS, Hubbell Realty Company doing business as (d/b/a) Bridge District II Townhomes, LLC, has proposed to construct 25 owner-occupied rowhome units within the second and third phases of “The Banks” townhome development located on the adjoining property south of the Level Apartments site owned by Owner; and

WHEREAS, construction of the Level Apartment building and rowhome units (collectively “Project” or “Improvements”) had been anticipated to commence in spring 2020, with a previously estimated completion date in the last quarter of 2021 for the apartment phase and of January 1, 2024 for the rowhome phase; and

WHEREAS, pursuant to Roll Call No. 19-2018, the City Council directed the City Manager to proceed with negotiation of a development agreement with Bridge District Level, LLC, for said Project; and

WHEREAS, on March 23, 2020, by Roll Call No. 20-0533, the City Council approved an Urban Renewal Development Agreement (the “Development Agreement”) with Bridge District Level, LLC, as well as Bridge District II Townhomes, LLC and Bridge District II, LLC (collectively “Developer”), whereby the Developer has agreed to construct the Project, in accordance with a City-approved PUD Conceptual Plan and Development Plans and the Conceptual Development Plan, in exchange for economic development assistance described in said Roll Call and Development Agreement; and

WHEREAS, the Developer has been unable to commence and/or diligently pursue construction of the Improvements in accordance with said commencement deadline due to circumstances related to unanticipated environmental remediation, and has requested an one-year extension of all construction-related deadlines set forth in the Development Agreement, which also requires a delay to provision of economic development (TIF) assistance; and

WHEREAS, City Economic Development staff and the Developer have negotiated terms of a First Amendment to the Development Agreement and to the Declaration of Covenants related thereto, on file in the office of the City Clerk, extending deadlines for Developer’s initial commencement of construction from June 1, 2020 to June 1, 2021, and completion of construction from December 31, 2021 for the Phase 1 Improvements (Level apartment building) and from January 1, 2024 for the Phase 2 Improvements (rowhome units) to December 31, 2022 and January 1, 2025, respectively.

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NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that:

1. The First Amendment to the Urban Renewal Development Agreement, including Declaration of Covenants, by and between the City and Developer, as defined above, is hereby approved, and the Mayor is authorized and directed to execute said documents on behalf of the City of Des Moines and the City Clerk to attest to his signature and to accept the Covenants on behalf of the City of Des Moines.
2. The Development Services Director and designee(s) are hereby authorized and directed to administer the Development Agreement on behalf of the City and to monitor compliance by the Developer, as defined above, with the terms and conditions of the Development Agreement, as amended. The Development Services Director is further directed to forward to City Council all matters and documents that require further City Council review and approval in accordance with the Development Agreement, as amended.

(Council Comm. No. 20-539)

MOVED BY Gatto TO ADOPT.

APPROVED AS TO FORM:

/s/ Glenna K. Frank

Glenna K. Frank, Assistant City Attorney

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

MOTION CARRIED APPROVED

J. M. Frank Mayor

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.

P. Kay Cmelik

City Clerk