



Roll Call Number

22-0338

Agenda Item Number

46 ✓

Date March 7, 2022

RESOLUTION APPROVING URBAN RENEWAL DEVELOPMENT AGREEMENT WITH NMDP HOLDINGS, LLC (ADAM PETERSEN) FOR EXPANSION OF INDUSTRIAL PRECAST PRODUCTION PLANT LOCATED AT 3312 EAST GRANGER AVENUE

WHEREAS, NMDP Holdings, LLC (“Developer”), affiliate of PDM Precast, Inc. and represented by Adam Petersen, President, proposes to undertake an expansion of the existing precast production plant located at 3312 East Granger Avenue with construction of a 51,335 square-foot production building and an employee parking lot (collectively “Improvements”) in the SE Agribusiness Urban Renewal Area, at an estimated total project cost of \$4,500,000.00, subject to receipt of the financial assistance identified below; and

WHEREAS, construction of the Improvements is anticipated to commence in spring 2022, with completion in fall 2022; and

WHEREAS, on October 18, 2021, by Roll Call No. 21-156, the City Council received the preliminary terms of proposed agreement with the Developer and directed the City Manager to proceed with negotiation of a development agreement with the Developer on final terms of an Urban Renewal Development Agreement consistent with the preliminary terms for consideration for approval by the City Council; and

WHEREAS, the City’s Office of Economic Development has negotiated an Urban Renewal Development Agreement (the “Development Agreement”) with the Developer, whereby the Developer has agreed to construct the Improvements, in accordance with the Conceptual Development Plan, which proposed Development Agreement and Conceptual Development Plan are on file in the office of the City Clerk; and

WHEREAS, the proposed Development Agreement provides that in consideration of the Developer’s commencement and completion of the Improvements, the City will provide an economic development grant upon project completion of up to \$275,000.00 (cash basis) to be advanced from the Economic Development Enterprise Fund, which fund will thereafter be reimbursed by tax increment generated within the SE Agribusiness Urban Renewal Area; and

WHEREAS, at its meeting on March 1, 2022, the Urban Design Review Board voted 8-0 to recommend approval of final design of the Improvements as proposed by the Developer and set forth in the Conceptual Development Plan, and for approval of the financial assistance as set forth above and in said Agreement.

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

1. That the City Council hereby makes the following findings in support of the proposed Development Agreement with NMDP Holdings, LLC:
 - a. Developer’s obligations under the Development Agreement to redevelop the Property for production building uses furthers the objectives of the SE Agribusiness Urban Renewal Plan to advance the improvement and redevelopment of the SE Agribusiness Urban Renewal Area in accordance with the Urban Renewal Plan, encourage the elimination of vacant and under-utilized parcels, provide for the orderly expansion of appropriate industrial uses in Des Moines, retain existing job opportunities within the City of Des Moines and the Urban Renewal Area that might otherwise be lost and is anticipated to lead to a future growth in such job opportunities, it will assist in the maintenance and expansion of the tax base in the Urban Renewal Area.
 - b. The economic development incentives for the development of the Project are provided by the City pursuant to the Urban Renewal Law and Chapter 15A of the Code of Iowa, and Developer's



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obligations under this Agreement to construct the Improvements will generate the above-stated public gains and benefits.

- c. The construction of the Project is a speculative venture and the construction and resulting benefits would not occur without the economic incentives provided by the Development Agreement.
- d. The redevelopment of the Property pursuant to the Development Agreement, and the fulfillment generally of the Agreement, are in the vital and best interests of City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements under which the Project has been undertaken, and warrant the provision of the economic assistance set forth in the Agreement.

2. The Urban Renewal Development Agreement between the City and Developer, and the Conceptual Development Plan attached thereto, both as on file in the office of the City Clerk, are hereby approved, and the Mayor and City Clerk are hereby authorized and directed to execute and attest to, respectively, the Agreement on behalf of the City of Des Moines.

3. The Development Services Director or her designee are directed to submit a copy of the fully executed Development Agreement to the Finance Department for purposes of required Electronic Municipal Market Access disclosure filings.

4. Upon requisition by the Office of Economic Development, the Finance Department shall advance the installments on the Economic Development Assistance pursuant to Article 4 of the Development Agreement.

5. The Department Services Director or designee(s) are hereby authorized and directed to administer the Development Agreement on behalf of the City, and to monitor compliance by the Developer with the terms and conditions of the Agreement. The Department Services Director is further directed to forward to City Council all matters and documents that require City Council review and approval in accordance with the Agreement.

(Council Comm. No. 22-106)

MOVED BY Gatto TO ADOPT.

SECOND BY Boesen.

APPROVED AS TO FORM:

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

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
BOESEN	✓			
GATTO	✓			
SHEUMAKER	✓			
MANDELBAUM	✓			
VOSS	✓			
WESTERGAARD	✓			
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.

J. M. Franklin Cownie Mayor

P. Kay Cmelik

City Clerk