



Roll Call Number

241259

Agenda Item Number

51

Date September 16, 2024

RESOLUTION APPROVING PRELIMINARY TERMS OF AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH RIVERVIEW DSM LLC AND RIVERVIEW PARKING LLC FOR THE CONSTRUCTION OF A MULTILEVEL PARKING STRUCTURE AT THE NORTHEAST CORNER OF EAST COURT AVENUE AND EAST 2ND

WHEREAS, Riverview DSM LLC and Riverview Parking, LLC (collectively “Developer”), represented by Doug Wells, propose to undertake construction of a multi-level parking structure consisting of a minimum of 249 parking stalls at 200, 210, and 216 E Court Avenue, located on a 0.849-acre parcel in the East Village and a full-scale renovation of the adjacent office building, located at 218 E 2nd Street (collectively “Improvements”) in the Metro Center Urban Renewal Area; and

WHEREAS, the proposed parking structure will include photovoltaic solar panels and EV charging stations, and will be available for use by the public on nights and weekends; and

WHEREAS, Developer is also proposing a full-scale renovation of the adjacent office building located at 218 E. 2nd Street; and

WHEREAS, construction of the Improvements is anticipated to be completed in 2025 at a combined total project cost of all Improvements estimated at \$28.9 million, subject to receipt of the financial assistance identified below; and

WHEREAS, the Developer seeks approximately \$5.57 million in project-generated tax increment financing (“TIF”) for the Improvements at a net-present-value at a 4.5% discount rate (\$9.3 million on a cash basis), to be paid with 100% of the project-generated building (exclusive of land) TIF in years one (1) through twenty (20); and

WHEREAS, the TIF set forth above is estimated to be 19.29% of the combined project cost; 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 this financial assistance package to be provided from project generated tax increment as more specifically described in the accompanying Council Communication.

NOW THEREFORE 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,
2. The City Manager or his designee is directed to negotiate final terms of agreement for future consideration by the City Council.

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(Council Comm. No. 24-378)

MOVED BY Gatto TO ADOPT.

SECOND BY Voss

APPROVED AS TO FORM:

/s/ Gary Goudelock
Gary Goudelock
Assistant City Attorney

*Council Member Mandelbaum declares a conflict of interest and abstains from voting.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN	✓			
SIMONSON	✓			
VOSS	✓			
COLEMAN	✓			
WESTERGAARD	✓			
*MANDELBAUM				
GATTO	✓			
TOTAL	6			

CERTIFICATE

I, LAURA BAUMGARTNER, 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
Connie Boesen Mayor

Laura Baumgartner City Clerk