


## COUNCIL COMMUNICATION

	Number:	<b>20-140</b>	Meeting:	<b>March 23, 2020</b>
	Agenda Item:	<b>34</b>	Roll Call:	<b>20-0534</b>
	Submitted by:	<b>Erin Olson-Douglas, Economic Development Director</b>		

### AGENDA HEADING:

Resolution approving Urban Renewal Development Agreement with 111 Jefferson Ave LLC for redevelopment of 111 Jefferson Avenue.

### SYNOPSIS:

Recommend approval of the Urban Renewal Development Agreement with 111 Jefferson Ave LLC (T. Michael Price, Managing Member, 1540 Roseman Bridge Road, Winterset, IA 50273) for the construction of a \$880,000, 9,000-square-foot warehouse at 111 Jefferson Avenue in Central Place Industrial Park.

### FISCAL IMPACT:

Amount: \$43,500

Funding Source: Central Place Tax Increment Financing (TIF)

### ADDITIONAL INFORMATION:

- Commonwealth Electric is currently located on the west side of 2<sup>nd</sup> Avenue, and the construction of this warehouse allows the existing business to further expand.
- In 2019, 111 Jefferson Ave LLC acquired City-owned property in the Central Place Urban Renewal Area at 111 Jefferson Avenue for \$43,500 for commercial development of a 9,000-square-foot warehouse use by tenant, Commonwealth Electric of the Midwest.
- After purchase of the property, the Developer came to learn that the soil is soft and needs stabilization. The costs of over-excavation of footings and rock placement were verified to cost more than the cost of the property (\$79,000 plus).
- Due to these extraordinary development costs and the wish to spur economic development in the area, staff is recommending a forgivable loan equal to the cost of the land, payable upon issuance of a certificate of completion.

**PREVIOUS COUNCIL ACTION(S):**

Date: January 28, 2019

Roll Call Number: [19-0157](#)

Action: Items regarding City-initiated request for vacation and conveyance of east/west alley right-of-way north of and adjoining 101, 107 and 111 Jefferson Avenue to allow the undeveloped alley to be assembled with the adjoining parcels, subject to conditions: ([Council Communication No. 19-034](#)

- (B) [Hearing](#) on vacation and conveyance to 111 Jefferson Ave., LLC for commercial redevelopment within the Central Place Industrial Park, \$43,500. Moved by Gray to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S):**

Board: Urban Design Review Board

Date: March 12, 2019

Resolution Number: N/A

Action: Consensus of the members present to recommend approval of the Conceptual Plan.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Issuance of Certificate of Completion.

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