


## COUNCIL COMMUNICATION

|   |               |   |            |                         |
|---|---------------|---|------------|-------------------------|
|  | Number:       | <b>21-048</b>   | Meeting:   | <b>January 25, 2021</b> |
|   | Agenda Item:  | <b>35</b>   | Roll Call: | <b>21-0108</b>          |
|   | Submitted by: | <b>Erin Olson-Douglas, Development Services Department Director</b> |            |                         |

### AGENDA HEADING:

Approving Second Amendment to Amended and Restated Urban Renewal Agreement, Assignment and Assumption Agreement, and Amended Declaration of Covenants with Miesblock Commercial, LLC.

### SYNOPSIS:

Recommend approval of an amendment to the Urban Renewal Development Agreement, an Assignment and Assumption Agreement, and amendment to the Declaration of Covenants for a mixed-use project at 665 Grand Avenue with Miesblock Commercial, LLC (Michael K. Nelson, Manager, 218 6th Avenue, Suite 200, Des Moines, Iowa, 50309). This Amendment to the development agreement allows for a 1-year extension to the final phase of development at 665 Grand Avenue. The Assignment and Assumption Agreement recognizes a shift in ownership from Grand 7 Partners, LLC to Miesblock Commercial, LLC; both entities are under the management of Michael Nelson. The Amendment to the Declaration of Covenants recognizes this ownership change.

### FISCAL IMPACT:

Amount: No changes to the financial terms of the development agreement are proposed with this amendment.

Funding Source: Tax Increment from the Metro Center Urban Renewal Area.

### ADDITIONAL INFORMATION:

- The first and second phases of the project were timely completed per the Third Amended and Restated Urban Renewal Development agreement.
  - The first phase is a 'skywalk node' at the southwest corner of the site that provided a connection between the existing Grand Avenue skywalk bridge and the new 7th Street skywalk bridge. The skywalk node provides the vertical connection on this block with an elevator and open-air stairway connecting between the sidewalk and skywalk levels.
  - The second phase is a 3-story, 18,000-square-foot commercial building with ground floor restaurant and offices on the upper floors along the Grand Avenue frontage.

- The third and final phase of development is for an apartment building with a minimum of six (6) floors and 75 market rate units at the 7th Street and High Street frontages. The start date for construction will be moving from November 1, 2020 to November 1, 2021, and the completion deadline will move from April 1, 2022 to April 1, 2023. Estimated project cost is \$20 million. Steel or concrete structural systems are required. Parking for the project will be provided by the Principal Financial Group's parking garage to the west of this site under a lease agreement between the Developer and the garage owner.

**PREVIOUS COUNCIL ACTION(S):**

Date: October 14, 2019

Roll Call Number: [19-1645](#)

Action: [First](#) amendment to Amended and Restated Urban Renewal Agreement for sale of land for private redevelopment with Grand 7 Partners, LLC. ([Council Communication No. 19-452](#)) Moved by Mandelbaum to adopt. Motion Carried 7-0.

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

Board: Urban Design Review Board

Date: December 12, 2017

Resolution Number: N/A

Action: Recommend final approval of the design with the condition that the Developer continue to work with staff and the Diocese to work out the curb dimensions and the easements required on the north drive approach entry on High Street.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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