


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	23-031	Meeting:	January 23, 2023
	Agenda Item:	21	Roll Call:	23-0109
	Submitted by:	Matthew A. Anderson, Deputy City Manager		

AGENDA HEADING:

Approval of amended and restated 28E Agreement between Neighborhood Development Corporation (NDC) and City of Des Moines.

SYNOPSIS:

Request Council approval of an amended and restated 28E Agreement between the City of Des Moines and NDC. This amendment to the Agreement shall extend the term through calendar year 2026 and shall supersede the prior extension dated February 10, 2020.

The City shall contribute to NDC a one-time payment of \$3,500,000 that shall be issued by the City to NDC within 60 days of the date this Agreement is executed by all parties exclusively for the actual project costs of NDC redevelopment efforts within the City of Des Moines.

The City shall contribute to NDC an annual additional payment of \$1,000,000 for calendar years 2023, 2024, 2025, and 2026 exclusively for the actual project costs of NDC redevelopment efforts within the City of Des Moines. NDC may expend from each City annual contribution of an amount not to exceed \$200,000 for NDC operating expenses.

FISCAL IMPACT:

Amount: \$7,500,000, of which \$3,500,000 is payable within 60 days. Annual contributions of \$1,000,000 in calendar years 2023-2026.

Funding Source: Fiscal Year (FY) 2022-23 Operating Budget, Page 84, American Rescue Plan Act (ARPA). ARPA funds will be transferred to General Fund and/or Capital Improvement Plan for this expenditure.

ADDITIONAL INFORMATION:

- The City of Des Moines has maintained a relationship through 28E Agreements with NDC dating back to 1998 to plan, coordinate and implement public and private redevelopment efforts throughout the City of Des Moines neighborhoods.
- \$500,000 of the one-time payment is to be utilized for the acquisition and development preparation of the former Des Moines Cold Storage facility adjacent to Riverview Park. A separate development proposal will follow the acquisition and development planning.

PREVIOUS COUNCIL ACTION(S):

Date: February 10, 2020

Roll Call Number: [20-0234](#)

Action: [Extension](#) of 28E Agreement with the Neighborhood Development Corporation (NDC).
([Council Communication No. 20-064](#)) Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Possible future actions related to Des Moines Cold Storage redevelopment.

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