

Date April 10, 2006

RESOLUTION APPROVING SECOND AMENDMENT TO THE AGREEMENT BETWEEN THE CITY OF DES MOINES, IOWA AND EASTGATE PLAZA, LLC FOR REDEVELOPMENT OF THE SHOPS AT EASTGATE (NORTHEAST CORNER OF E. 14TH STREET AND EUCLID AVENUE)

WHEREAS, on June 22, 1998 by Roll Call No. 98-2078, the City Council of the City of Des Moines, Iowa entered into an Agreement (hereinafter "Original Agreement") with Eastgate Plaza, LLC ("Redeveloper") for redevelopment of the northeast corner of E. 14th Street and Euclid Avenue ("the Shops at Eastgate"), which was subsequently amended on February 1, 1999 by Roll Call No. 99-340 [hereinafter "First Amendment to the Agreement"]; and

WHEREAS, the Redeveloper is presently required to develop not less than 250,000 square feet of mixed retail, service and commercial office space; and

WHEREAS, the City has constructed a Stormwater Detention Basin and related Stormwater Improvements on and adjacent to the development property in order to allow for redevelopment; and

WHEREAS, issues have arisen that were unforeseen at the time the Original Agreement and the First Amendment were executed which necessitate amending the Original Agreement and the First Amendment; and

WHEREAS, the Second Amendment to the Original Agreement (hereinafter "Second Amendment") attached hereto as Exhibit "A," amends the Original Agreement and the First Amendment by, among other things, allowing the Redeveloper additional time until January 1, 2010 to construct and/or renovate up to 400,000 square feet and not less than 250,000 square feet of mixed retail, service and commercial office space and expands the size of the development property from approximately 40 acres to 45 acres to accommodate development; and

WHEREAS, the Second Amendment allows the Redeveloper to be eligible to make application to the City for 10-year declining tax abatement rather than 3-year 100% tax abatement in order to address some of the potential extraordinary site development costs and also allows the Redeveloper the opportunity to request financial assistance from the City in the future to assist in covering unexpected development costs, provided that it is necessary to attract an anchor facility or is a significant project that will benefit the community; and

WHEREAS, the Amendment further provides that the City shall construct and install a traffic signal to be located at Douglas Avenue and E. 14th Street, subject to the granting of any necessary permits by the Iowa Department of Transportation; and

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WHEREAS, it is in the best interests of the city to amend the Original Agreement to address the issues that have arisen since execution of the Original Agreement on June 22, 1998 and the First Amendment on February 1, 1999.


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

1. The Mayor is authorized to execute the Second Amendment to the Agreement between the City of Des Moines, Iowa and Eastgate Plaza, LLC attached hereto as Exhibit "A," and the City Clerk is directed to attest to the Mayor's signature.
2. Upon execution of the Agreement, the City Clerk is authorized and directed to return copies of all documents to the Office of Economic Development.

(Council Communication No. 06- 197 attached)

MOVED by _____ to adopt.

APPROVED AS TO FORM:



 Michael F. Kelley
 Assistant City Attorney

| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|------|------|------|--------|
| COWNIE | | | | |
| BROOKS | | | | |
| COLEMAN | | | | |
| HENSLEY | | | | |
| MAHAFFEY | | | | |
| KIERNAN | | | | |
| VLASSIS | | | | |
| TOTAL | | | | |

MOTION CARRIED

APPROVED

 Mayor

CERTIFICATE

I, DIANE RAUH, 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.

 City Clerk