

Date December 4, 2006.....

**RESOLUTION APPROVING ECONOMIC DEVELOPMENT LOAN AND AGREEMENT
WITH THE HOMESTEAD BUILDING, L.P.**

WHEREAS, the City of Des Moines has undertaken a program pursuant to the Urban Renewal Plan for the Metro Center Area Urban Renewal Project to stimulate economic revitalization of the downtown area; to make use of under-utilized areas of the City; to preserve and create an environment within the downtown area which will protect the health, safety, and welfare of the City; and, in this connection, is engaged in carrying out an economic development urban renewal project (the "Project") with The Homestead Building, L.P. (the "Landlord") to assist in the retention and expansion of two firms (the "Tenants") within the Metro Center Urban Renewal Project Area; and,

WHEREAS, the Project is a joint public and privately funded project wherein the Landlord agrees to lease and improve approximately 12,570 total square feet of office space to the Tenants in the Homestead Building at 303 Locust Street for a lease term of at least 5 years, and the Tenants shall collectively employ at least 42 full-time employees to work at the leased premises and create at least eight new full-time jobs within the term of their leases at the leased premises; and

WHEREAS, the Landlord is participating in the Project by providing an incentive valued at \$72,790 to induce the Tenants to lease office space, and the City's matching economic development assistance in the form of a \$50,000 forgivable loan will assist the Landlord in leasing office space in an older downtown building; and

WHEREAS, the Project furthers the objectives of the Urban Renewal Plan to preserve and create an environment within the Urban Renewal Area which will protect the health, safety, and general welfare of the City, promote job opportunities, maintain tax base, and strengthen central Des Moines as the business, financial, and administrative center of the metropolitan area; and

WHEREAS, the economic development assistance from the City is necessary to enable the Project to proceed and such assistance will retain and create jobs and generate public gains and benefits for urban renewal and economic development which gains and benefits are warranted in comparison to the amount of such assistance; and

WHEREAS, the City believes that participation in the Project is in the vital and best interests of the City; and

WHEREAS, the attached Loan Agreement marked Exhibit "A" describes the terms of the agreement for the loan between the City of Des Moines and the Landlord.

NOW, THEREFORE, BE IT RESOLVED by the City Council that:

1. The agreement is hereby approved and the Mayor is authorized and directed to sign, where appropriate, the loan documents and the City Clerk is authorized to attest to the Mayor's signature, where appropriate, and to obtain proper acknowledgement.

★ Roll Call Number
06-

Agenda Item Number
32

Date December 4, 2006


2. Upon full execution of the documents, the City Clerk is directed to deliver the original Loan Agreement to the Office of Economic Development, and staff is authorized to deliver the originals to the company, and to thereafter take all steps necessary to protect the interest of the City by filing or otherwise.

3. Following full execution of the attached documents, City staff is authorized to perform all City obligations under the loan agreement including the requisition and disbursement of the loan funds.

(Council Communication No. 06-760 attached)

Moved by _____ to adopt.

APPROVED AS TO FORM:



 Michael F. Kelley, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
VLASSIS				
TOTAL				
MOTION CARRIED			APPROVED	

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.

_____ Mayor

_____ City Clerk