

.....
Date April 21, 2014.....

RESOLUTION APPROVING URBAN RENEWAL DEVELOPMENT AGREEMENT
WITH ARTISAN ROW, LLC, FOR THE REDEVELOPMENT OF PROPERTY IN THE
VICINITY OF 1623 GRAND AVENUE, AND APPROVING PROPOSED CONCEPTUAL
DEVELOPMENT PLAN

WHEREAS, on March 24, 2014, by Roll Call No. 14-0483, the City Council approved preliminary terms of agreement with Hubbell Realty Company, represented by Rick Tollakson, President, for a proposed \$7.3 million, 27 unit townhome project on the former Iowa Paint property bounded by Grand and Ingersoll Avenues and 16th and 17th Streets (the "Property"), and directed the City Manager to proceed with negotiation of a formal agreement consistent with the terms set forth in Council Communication No. 14-118; and,

WHEREAS, Artisan Row, LLC, represented by Rick Tollakson, Manager, was then established as the development entity to undertake the project; and,

WHEREAS, the City Manager has negotiated an Urban Renewal Development Agreement (the "Agreement") with Artisan Row, LLC, consistent with the preliminary terms of agreement, whereby Artisan Row has agreed to undertake the renovation and redevelopment of the Property by undergrounding the overhead utility lines; the construction of 27 townhomes having either 3 bedrooms or 2 master bedrooms, and having 3 baths, attached two-car garages, and rooftop patios with pergolas, and approximately 1,350 square feet of finished space; and, the construction of off-street parking, landscaping and streetscape improvements and common area amenities, all in conformance with the proposed Conceptual Development Plan; and,

WHEREAS, the proposed Agreement further provides that in consideration of the undertakings by Artisan Row, LLC, the City shall provide an economic development grant payable in one installment of \$266,000 on the later of July 7, 2015, or the completion of the undergrounding of the overhead utilities; and,

WHEREAS, the proposed Agreement and Conceptual Development Plan are on file and available for inspection in the office of the City Clerk; and,

WHEREAS, at its meeting on April 15, 2014, the members of the Urban Design Review Board voted 8-0 in support of a motion to recommend approval of the financial assistance proposed to be provided by the City pursuant to the Agreement and the project design as reflected in the Conceptual Development Plan.

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

Date April 21, 2014

1. The City Council hereby makes the following findings in support of the proposed Agreement with Artisan Row, LLC:
 - a) The Downtown Des Moines Planning Project final report, titled "What's Next Downtown", approved by the City Council on March 10, 2008 by Roll Call No. 08-432, identifies the need for additional housing in the downtown area, and identifies the "South of Sherman Hill" area north of Grand Avenue between 15th Street and Martin Luther King Jr Parkway, which includes the Property, as an appropriate location for the development of such housing.
 - b) The obligations assumed by Artisan Row under the Agreement to construct the Improvements furthers the objectives of the Urban Renewal Plan to preserve and create an environment which will protect the health, safety and general welfare of City residents and maintain and expand taxable values within the Metro Center Urban Renewal Project Area, to encourage the development of market-rate housing in decent, safe and sanitary conditions in attractive settings to serve employees and other people who would like to live in the downtown area, and to provide a variety of locations to serve the different housing markets within the Project Area.
 - c) The economic development incentives for the renovation and redevelopment of the Property with the Improvements are provided by the City pursuant to the Urban Renewal Law and Chapter 15A of the Code of Iowa, and the obligations assumed by Artisan Row under the Agreement to construct the Improvements will generate the following public gains and benefits: (i) it will advance the improvement and redevelopment of the downtown core in accordance with the Urban Renewal Plan and the Downtown Des Moines Planning Project; (ii) it will provide housing in decent, safe and sanitary conditions in attractive settings to serve employees and other people who would like to live in the downtown area; (iii) it will encourage further private investment and will attract and retain residents and businesses in the downtown core area of the Metro Center Urban Renewal Project Area; and, (iv) it will further the City's efforts to create and retain job opportunities within the Project Area which might otherwise be lost.
 - d) The construction of the Improvements is a speculative venture and the public gains and benefits from the construction and resulting housing and redevelopment opportunities would not occur without the economic incentives provided by the Agreement and the public gains and benefits are warranted in comparison to the amount of economic incentives.
 - e) The renovation and redevelopment of the Property pursuant to the Agreement, and the fulfillment generally of this Agreement, are in the vital and best interests of City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements under which the project has been undertaken, and warrant the provision of the economic assistance set forth in this Agreement.

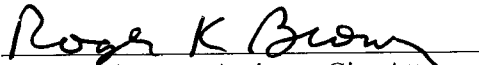
Date April 21, 2014

2. The Conceptual Development Plan for the project, which is Exhibit "B" to the Development Agreement, is hereby approved,
3. The Urban Renewal Development Agreement between the City and Artisan Row, LLC, is hereby approved.
4. The Mayor and City Clerk are hereby authorized and directed to execute the Agreement on behalf of the City of Des Moines.
5. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the installments on the Economic Development Grant pursuant to Article 4 of the Agreement.
6. The City Manager or his designees are hereby authorized and directed to administer the Urban Renewal Development Agreement on behalf of the City, including the filing of the Agreement, and to monitor compliance by Artisan Row, LLC, with the terms and conditions of the Agreement. The City Manager is further directed to forward to City Council all matters and documents that require City Council review and approval in accordance with the Agreement.

(Council Communication No. 14- 181)

MOVED by _____ to adopt.

FORM APPROVED:



Roger K. Brown, Assistant City Attorney

G:\USERS\RKBrown\Rog Docs\Eco Dev\Artisan Row - Hubbell\RC Approve Dev Agr.doc

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
HENSLEY				
MAHAFFEY				
MOORE				
TOTAL				

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.

MOTION CARRIED APPROVED

Mayor

City Clerk