

Date March 9, 2015

APPROVING COLLATERAL ASSIGNMENT OF DEVELOPMENT AGREEMENT
WITH RANDOLPH APARTMENTS LLC, REPRESENTED BY GEORGE
SHERMAN, PRESIDENT, TO GREAT SOUTHERN BANK AS SECURITY FOR
PROJECT FINANCING

WHEREAS, on February 23, 2015, by Roll Call No. 15-0314, the City Council approved an Urban Renewal Development Agreement with Randolph Apartments LLC (hereinafter "Randolph Apartments"), represented by George Sherman, President of Sherman Associates, Inc., whereby Randolph Apartments has agreed to redevelop the Hotel Randolph and the adjacent Earl & Le Bosquet and Youngerman Block buildings at 4th Street and Court Avenue for a mixed use project that will create 55 residential units and first floor commercial space in exchange for the City's agreement to provide an economic development grant in the total amount of up to \$3,400,000 payable in ten annual installments; and,

WHEREAS, Randolph Apartments has requested City approval of a *Collateral Assignment and Subordination of Development Agreement* whereby Randolph Partnership assigns its interest in the Urban Renewal Development Agreement to Great Southern Bank as security for loans to be used to finance the purchase and rehabilitation of the Hotel Randolph and the adjacent Earl & Le Bosquet and Youngerman Block buildings as contemplated by the Urban Renewal Development Agreement; and,

WHEREAS, a copy of the proposed *Assignment and Subordination of Development Agreement* is on file and available for public inspection in the office of the City Clerk.

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

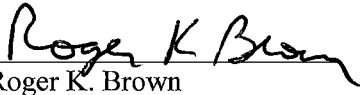
1. The proposed *Assignment and Subordination of Development Agreement* referenced above is hereby approved, subject to such minor changes as may be required by the Bank and approved by the Legal Department as having no detrimental impact upon the City's interests.
2. The Mayor is hereby authorized and directed to execute the *Assignment and Subordination of Development Agreement* on behalf of the City of Des Moines, and the City Clerk is hereby authorized and directed to attest to the Mayor's signature on the Agreement.

Date March 9, 2015

3. Upon execution of the *Assignment and Subordination of Development Agreement*, the City Clerk is authorized and directed to forward the Agreement to the Office of Economic Development for release to and recording by Randolph Apartments.

MOVED by _____ to adopt.

FORM APPROVED:



Roger K. Brown

Assistant City Attorney

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| 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