

Date March 23, 2020

APPROVAL OF THE ADVANCE OF FUNDS TO THE CENTRAL PLACE INDUSTRIAL PARK URBAN RENEWAL PROJECT FOR PAYMENT TO 111 JEFFERSON AVE, LLC PURSUANT TO URBAN RENEWAL DEVELOPMENT AGREEMENT

WHEREAS, on March 23, 2020, by Roll Call No. _____, the City Council approved an Urban Renewal Development Agreement (the "Agreement") with 111 Jefferson Ave, LLC ("Developer"), represented by T. Michael Price, Managing Member, related to provision by the City of economic development assistance in the form of a forgivable loan in the amount of \$43,500.00, in exchange for construction and use by Developer of a 9,000 square foot warehouse for expansion of Commonwealth Electric Company of the Midwest's multistate full-service electrical and communications contractor business as a tenant, which project has an estimated minimum cost of \$880,000.00, all as further described in said Roll Call; and

WHEREAS, City staff have not yet certified said payment with the County Auditor in accordance with Iowa Code Section 403.19 and, in accordance with the Agreement, advance of the forgivable loan funds to the Developer should occur upon execution of the Agreement by the City and prior to such certification; and

WHEREAS, the City Manager recommends that the City now advance funds in the amount of \$43,500.00 for payment to Developer in accordance with the Agreement, with such advance to be reimbursed from the Special Fund for the Central Place Industrial Park Urban Renewal Project Area in FY2022/23.

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

1. The City Council hereby makes the following findings:
 - a) Pursuant to City Ordinance, there has been established a special tax increment fund for the Central Place Industrial Park Urban Renewal Area (the "Tax Increment Fund"), into which all incremental taxes from the Central Place Industrial Park Urban Renewal Area, as amended, are deposited.
 - b) Following and subject to City Council approval of the 16th Amendment to the Central Place Industrial Park Urban Renewal Plan, the payment for the Property will be identified in the Central Place Industrial Park Urban Renewal Plan as an obligation eligible for payment from the Tax Increment Fund, subject to the certification of the obligation to the Polk County Auditor pursuant to Iowa Code §403.19, which certification will occur prior to December 1, 2020, for payment in FY2022/23.
 - c) The immediate advance of an amount not to exceed \$43,500.00 from another source is necessary to fund the timely payment of the advance on the forgivable loan provided to Developer in accordance with the Agreement.



Roll Call Number

Agenda Item Number

34A

Date March 23, 2020

- 2. It is hereby directed that the sum of \$43,500.00 be advanced from CM025033-528190, a special revenue fund of the City, for full payment of advance of the forgivable loan amount to the Developer as required by the Agreement. The advance shall be treated as an internal loan and shall be repaid from the Tax Increment Fund with respect to the Central Place Industrial Park Urban Renewal Area, as those funds become available.

MOVED by _____ to adopt.

FORM APPROVED:

/s/ Glenna K. Frank
Glenna K. Frank, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
GRAY				
MANDELBAUM				
VOSS				
WESTERGAARD				
TOTAL				

CERTIFICATE

I, P. KAY CMELIK, 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