



Roll Call Number

Agenda Item Number

53

Date December 20, 2021

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE A DEVELOPMENT AGREEMENT BASED ON PRELIMINARY TERMS WITH MERGE URBAN DEVELOPMENT AND DRAKE UNIVERSITY FOR THE CONSTRUCTION OF A \$25 MILLION, 108,000-SQUARE-FOOT MIXED-USE DEVELOPMENT AT THE SOUTHEAST CORNER OF 25TH STREET AND CARPENTER AVENUE, ACROSS FROM DRAKE UNIVERSITY

WHEREAS, Merge Urban Development (Brent Dahlstrom, Partner/CEO, Merge Development Group, 604 Clay Street, Cedar Falls, IA 50613) proposes to construct a 108,000-square-foot mixed-use building east of Drake University, on the northern half of a 2.65-acre block bounded by 24th Street, 25th Street, University Avenue, and Carpenter Avenue; and,

WHEREAS, the proposed building will include 120 residential units plus approximately 9,800 square feet of commercial space on the ground floor along Carpenter Avenue in Phase 1, with another phase intended for the southern half of the block along University Avenue; and,

WHEREAS, the project cost is estimated at \$25 million and would begin construction in fall 2022, with completion expected at the end of 2023; and,

WHEREAS, the Developer has provided the Office of Economic Development with a financial analysis of the project, indicating a gap between actual project costs and the project appraisal and seeks this financial assistance package to be provided from project generated tax increment as more specifically described in the accompanying Council Communication.

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

1. The City Council hereby approves the preliminary terms of agreement as set forth in the accompanying Council Communication; and,
2. Directs the City Manager or his designee to negotiate final terms of agreement for future consideration by the City Council.

MOVED by _____ to adopt.

(Council Communication No. 21- **563**)

FORM APPROVED:

/s/ Thomas G. Fisher Jr.

Thomas G. Fisher Jr., Assistant City Attorney

| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|----------|------|------|--------|
| COWNIE | | | | |
| BOESEN | | | | |
| GATTO | | | | |
| GRAY | | | | |
| MANDELBAUM | | | | |
| VOSS | | | | |
| WESTERGAARD | | | | |
| TOTAL | | | | |
| MOTION CARRIED | APPROVED | | | |
| _____ Mayor | | | | |

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.

_____ City Clerk