



Date March 7, 2022

RESOLUTION APPROVING FINAL TERMS FOR AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH MERGE, LLC AT THE SOUTHEAST CORNER OF 25TH STREET AND CARPENTER AVENUE, ACROSS FROM DRAKE UNIVERSITY

WHEREAS, on December 20, 2021 in Roll Call number 21-1937, the City Council approved a resolution authorizing the City Manager to negotiate an agreement with Merge Urban Development (Brent Dahlstrom, Partner/CEO, Merge Development Group, 604 Clay Street, Cedar Falls, IA 50613) that proposed to construct an approximately 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 City Manager has negotiated an Urban Renewal Development Agreement (the "Agreement") with the Developer; and,

WHEREAS, the Developer seeks reimbursement of increment created in the amount of 90% of project-generated tax increment (exclusive of land) for 15 years; and,

WHEREAS, the Developer has provided the Office of Economic Development with a financial analysis of the project and seeks a 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 makes the following findings in support of the proposed Agreement with the Developer:
 - a) The Developer's obligations to construct the Improvements as provided by the Agreement furthers the objectives of the Urban Renewal Plan to provide additional housing, employment opportunities and tax base in the Carpenter Urban Renewal Project Area, TIF District #1, and to preserve and create an environment which will protect the health, safety and general welfare of City residents.

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- b) The economic development incentives for the creation of the employment opportunities and development of the Improvements are provided by the City to Developer pursuant to the Urban Renewal Law and Chapter 15A of the Code of Iowa, and Developer's obligations under this Agreement to construct the Improvements will generate the following public gains and benefits: (i) it will advance the improvement and redevelopment of The Carpenter Urban Renewal Area, in accordance with the Urban Renewal Plan; (ii) it will encourage further private investment to reverse the pattern of disinvestment and declining property values in the surrounding area; and, (iii) it will further the City's efforts to retain and create job opportunities within the Urban Renewal Area which might otherwise be lost.
 - c) The construction of the Improvements is a speculative venture and the construction and resulting benefits would not occur without the economic incentives provided by this Agreement.
 - d) The City Council believes that the redevelopment of the Property pursuant to the Agreement, and the fulfillment generally of the 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 the Agreement.
2. The Conceptual Development Plan for the project, which is contained in the Agreement, is hereby approved.
 3. The Urban Renewal Development Agreement between the City and Merge, LLC, is hereby approved. The Mayor and City Clerk are hereby authorized and directed to execute the Agreement on behalf of the City of Des Moines.
 4. The Economic Development Director or the Directors designee is directed to submit a copy of the fully executed Development Agreement to the Finance Department to enable the Finance Director to make any appropriate disclosure filings in accordance with the City's adopted revised Disclosure Policy.

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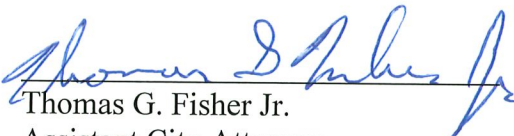
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5. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the installments on the Economic Development Grant pursuant to Article 4 of the Agreement.
6. The City Manager or his designees are hereby 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 the Developer 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. 22- 105)

Moved by _____ to adopt; Seconded by _____.

FORM APPROVED:


 Thomas G. Fisher Jr.
 Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
SHEUMAKER				
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