

Date November 6, 2023

RESOLUTION APPROVING FINAL TERMS OF AN URBAN RENEWAL DEVELOPMENT AGREEMENT WITH MAV KG, LLC FOR THE ACQUISITION AND RETENTION OF 250 JOBS AND A NEW 10-YEAR LEASE FOR 40,000-SQUARE-FEET OF OFFICE SPACE AT 1100 LOCUST STREET

WHEREAS, Mav KG, LLC (“Company”) is an affiliate of FJ Management Inc., which is proposing to establish a new Des Moines based office to serve as a regional headquarters for their expanding presence to the east; and

WHEREAS, the Company anticipates acquiring and retaining 250 high quality jobs in Des Moines, in addition to a new 10-year lease and occupancy of approximately 40,000-square-feet of office space at 1100 Locust Street in Downtown Des Moines; and

WHEREAS, on September 11, 2023, by Roll Call No. 23-1260, the City Council approved preliminary terms of an urban renewal development agreement with FJ Management Inc., which provides for a \$250,000 economic development grant to be paid in annual installments of \$25,000 over a ten (10) year term, which will be based on FJ Management Inc.’s commitment to maintaining at least 250 jobs at or above an average salary of \$98,000, and primarily officing from their Downtown Des Moines office location, averaging three (3) or more days per work week (“Project”); and

WHEREAS, during the course of ongoing negotiations, FJ Management Inc. directed the City said agreement would be with the Company; and

WHEREAS, the Office of Economic Development has negotiated final terms of an urban renewal development agreement with the Company, which provides for a \$250,000 economic development grant to be paid in annual installments of \$25,000 over a ten (10) year term, which will be based on the Company’s commitment to maintaining at least 250 jobs at or above an average salary of \$98,000, and primarily officing from their Downtown Des Moines office location, averaging three (3) or more days per work week.

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 Development Agreement with the Company:

a. Economic development assistance for the Project in the form of the grant, to be paid over the course of ten years, as set forth in the proposed development agreement, will ensure high quality job retention in the downtown area of the City of Des Moines; and

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b. The Project furthers economic development objectives to strengthen the downtown area of Des Moines as the business, financial, and administrative center of the metropolitan area and which will protect the health, safety, and general welfare of City residents and expand taxable values of properties; and

c. The economic development incentives for retention of employment in the downtown area shall be provided by the City pursuant to Chapter 15A of the Code of Iowa, and the obligations of Grantee under this Agreement to locate employees in 1100 Locust Street will generate the following public gains and benefits: (i) it will help maintain and expand taxable values in the downtown area by filling otherwise vacant office space; (ii) it will encourage further private investment and will attract and retain businesses in the Project to provide for economic stabilization within the downtown area; and (iii) it will further the City's efforts to retain high quality job opportunities within the downtown area which might otherwise be lost.

2. The Development Agreement between the City and the Company is hereby approved, and the Mayor and City Clerk are hereby authorized and directed to execute and attest to, respectively, the Agreement on behalf of the City of Des Moines.

3. The Director of the Office of Economic Development or her designee are directed to submit a copy of the fully executed Development Agreement to the Finance Department for purposes of required Electronic Municipal Market Access disclosure filings.

4. Upon requisition by the Office of Economic Development, the Finance Department shall advance the installments on the Economic Development Assistance pursuant to the Development Agreement.

5. The Development Services Director or designee(s) are hereby authorized and directed to administer the Development Agreement on behalf of the City, and to monitor compliance by the Developer with the terms and conditions of the Agreement. The Development Services Director is further directed to forward to City Council all matters and documents that require City Council review and approval in accordance with the Agreement.

 **Roll Call Number**

Agenda Item Number

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Moved by _____ to adopt.

Second by _____

APPROVED AS TO FORM:

/s/ Lisa A. Wieland
Lisa A. Wieland
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
MANDELBAUM				
VOSS				
WESTERGAARD				
TOTAL				
MOTION CARRIED	APPROVED			

CERTIFICATE

I, LAURA BAUMGARTNER, 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.

Mayor

City Clerk