



Roll Call Number

14-0625

Agenda Item Number

35

Date April 21, 2014

RESOLUTION APPROVING AGREEMENT FOR EXTENSION OF REPAYMENT TERMS FOR NEIGHBORHOOD COMMERCIAL REVITALIZATION LOAN TO KUNG FU TEA, LLC, FOR PROPERTY AT 414 E. 6TH STREET

WHEREAS, on February 23, 2004, by Roll Call No. 04-389, City Council approved a Neighborhood Commercial Revitalization (NCR) Program Loan to Kung Fu Tea, LLC, d/b/a Gong Fu Tea at 414 E. 6th Street, hereinafter referred to as "Developer," to make site improvements to the property located at 414 East Sixth Street, Des Moines; and

WHEREAS, the City's NCR loan in the original amount of \$50,000 with interest at the rate of three percent (3.0%) is being repaid on a 20 year amortization schedule, with the unpaid balance of \$31,342.79, due in a balloon payment on May 1, 2014; and,

WHEREAS, the Developer has requested the repayment terms be extended for an additional eleven years, which will fully amortize the loan; and

WHEREAS, the Office of Economic Development has negotiated an Agreement to Revise Payment Schedule of Note with the Developer which is on file in the office of the City Clerk and extends the repayment terms for eleven years as more fully described in the accompanying Council Communication.

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

- 1. The Agreement to Revise Payment Schedule of Note is hereby approved and the Mayor is authorized and directed to sign the Agreement on behalf of the City and the City Clerk is authorized and directed to attest to the Mayor's signature.
2. Upon full execution of the document, the City Clerk is authorized and directed to deliver original copies to the Office of Economic Development and staff is authorized to deliver appropriate documents to the Developer and to thereafter take all steps necessary to protect the interests of the City.

(Council Communication No. 14- 172)

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MOVED by Hensley to adopt.

FORM APPROVED:

Roger K Brown

Roger K. Brown, Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
TOTAL	7			

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.

T. M. Franklin Council Mayor

Diane Rauh City Clerk