

★ Roll Call Number

20-0432

Agenda Item Number

28

Date March 9, 2020

**RESOLUTION APPROVING SECOND AMENDMENT TO ECONOMIC DEVELOPMENT AGREEMENT WITH STREET COLLECTIVE F/K/A DES MOINES BICYCLE COLLECTIVE RELATED TO MAINTENANCE AND EXPANSION OF THE B-CYCLE PROGRAM**

**WHEREAS**, the Street Collective, formerly known as the Des Moines Bicycle Collective (“Collective”) is a non-profit organization that promotes bicycling as a means of active transportation, wellness, and recreation in Central Iowa; and

**WHEREAS**, the Collective has established a bicycle-sharing system in Des Moines known as the B-Cycle Program, that works through a network of self-service wireless stations that allow checking out and return of bicycles throughout a public sharing system, and the Collective desires to maintain and further expand the existing Des Moines B-Cycle Program in Des Moines to offer viable transportation links, as alternatives to existing public and private transportation options, between crucial destinations for residents, workers and tourists; and

**WHEREAS**, on October 20, 2014, by Roll Call No. 14-1665, the City Council approved an Economic Development Grant Agreement (“Agreement”) between the City and the Collective to provide an economic development grant of \$15,000 over two (2) years to assist with leveraging private funding and an ICAAP grant for an initial expansion of the B-Cycle Program in the downtown Des Moines project area, pursuant to Chapter 15A of the Code of Iowa; and

**WHEREAS**, on January 9, 2017, by Roll Call No. 17-0044, the City Council approved an Amendment to the Agreement to assist the Collective to enlarge its joint publicly- and privately-funded expansion project and undertake installation, operation and maintenance of additional bicycle sharing stations in the downtown Des Moines project area, with a proposed grant from the City of \$36,000 over three (3) years, in equal payments of \$12,000 per year, to leverage matching funds needed to secure a Wellmark Foundation grant, pursuant to Chapter 15A of the Code of Iowa; and

**WHEREAS**, the Collective now wishes to maintain its existing B-Cycle Program level of 22 stations within the City of Des Moines, and to add approximately 12 new stations with 100 electric-assist bicycles throughout the greater Des Moines region with an estimated 4-6 stations to be located within Des Moines, and has requested an extension of the prior assistance through March 1, 2022, in the amount of \$12,000.00 per year over a three-year period for maintenance of the existing Program in Des Moines and the option of an additional \$3,000.00 per year over a three-year period for installation of four or more additional stations within the City of Des Moines during each respective installment year; and

**WHEREAS**, the Engineering Department and Office of Economic Development have negotiated a Second Amendment to the Economic Development Grant Agreement (the “Second Amendment”) with Collective, to provide the above-stated economic development assistance for the B-Cycle Program maintenance and expansion pursuant to Chapter 15A of the Code of Iowa, which proposed Second Amendment is on file and available for inspection in the office of the City Clerk.

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

1. The City Council hereby makes the following findings in support of the proposed Second Amendment to the Agreement with the Street Collective f/k/a Des Moines Bicycle Collective (“Collective”):

- a. The Collective’s obligations under the Second Amendment to the Agreement to undertake the above-stated economic development actions in relation to the retention and further expansion of the B-Cycle Program further the objectives of economic development to preserve and create new jobs and income, and specifically development which should generate tourism-related activities and public gains and benefits in providing alternative transportation options, and to support an environment which will protect the health, safety and general welfare of City residents and maintain taxable values and employment opportunities within the downtown Des Moines area, and to strengthen central Des Moines as a tourist center of the metropolitan area.

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- b. The economic development incentives for the Collective's project are provided by the City pursuant to Chapter 15A of the Code of Iowa, and the Collective's obligations under the Agreement to undertake the above-stated economic development actions will generate the following public gains and benefits: (i) it will maintain and further expand the B-Cycle Program providing alternative transportation options to the public; (ii) it will encourage further private investment and will attract and retain other businesses and tourism in the City; (iii) it will further the City's efforts to retain and create job and tourism opportunities in Des Moines which might otherwise be lost; (iv) it will help to maintain and expand taxable values in the City; and (v) it will have a positive economic impact on the City by enhancing the quality of life within the City and by contributing to the City's efforts to retain and attract a skilled workforce and tourist base and promote economic growth.
  - c. The provision of economic development assistance from the City is necessary to enable the above-stated economic development actions in relation to the B-Cycle Program maintenance and expansion in accordance with the terms of the Agreement as amended, and such assistance will generate public gains and benefits for economic development which gains and benefits are warranted in comparison with the amount of such assistance.
  - d. The Collective's undertaking of the above-stated economic development actions in relation to the retention and expansion of B-Cycle Program, pursuant to the Agreement as amended, and the fulfillment generally of the Agreement as amended, 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 will be undertaken, and warrant the provision of the economic assistance set forth in the Agreement and Amendments thereto.
2. The Second Amendment to the Development Agreement between the City and Street Collective is hereby approved.
3. The Mayor and City Clerk and hereby authorized and directed to execute the Second Amendment on behalf of the City of Des Moines.
4. Upon requisition by the City Manager or the City Manager's designee, the Finance Department shall advance the payment(s) on the Economic Development Grant pursuant to the Second Amendment.
5. The City Manager or his designees are hereby authorized and directed to administer the Development Agreement, as amended, on behalf of the City and to monitor compliance by the Bicycle Collective with the terms and conditions of the Agreement and Amendments thereto. 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, as amended.

(Council Communication No. 20-124)

Approved as to Form:

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

\*Council Member Voss

abstains from MOVED BY Boesen TO ADOPT.  
 voting based on a conflict of interest.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
BOESEN	✓			
GATTO	✓			
GRAY	✓			
MANDELBAUM	✓			
*VOSS				
WESTERGAARD	✓			
TOTAL	6			

MOTION CARRIED APPROVED  
J. M. Franchini Cownie 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.

P. Kay Cmelik City Clerk