



Roll Call Number

24-0499

Agenda Item Number

24

Date April 1, 2024

RESOLUTION APPROVING MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND INVEST DSM, INC. FOR PROVISION OF SERVICES FOR THE CITY'S BLOCK CHALLENGE GRANT PROGRAM

WHEREAS, on June 24, 2019, by Roll Call No. 19-1048, the City Council approved the creation of Invest DSM, Inc., received the Articles of Incorporation and Bylaws of the corporation, and appointed board members to the corporation; and

WHEREAS, InvestDSM's corporate documents provide for the creation of a Board of Directors comprised of approximately nine members, including Polk County representatives, business/donor citizen representatives, and three City representatives to be appointed by the Des Moines City Council, to operate for charitable and educational purposes; and

WHEREAS, the Articles of Incorporation and Bylaws of Invest DSM, Inc., were also reviewed and approved by the Polk County Board of Supervisors, and Polk County has appointed its representatives to the Invest DSM, Inc. Board of Directors; and

WHEREAS, on August 19, 2019, by Roll Call No. 19-1346, and on September 9, 2019, by Roll Call No. 19-1436, respectively, the City Council approved a Chapter 28E Agreement by and between the City, Polk County, and Invest DSM, Inc. to facilitate the amount and use of funding to be provided by the City and County to Invest DSM from August 1, 2019 until July 31, 2022; and

WHEREAS, in Roll Calls 19-1346 and 19-1436, the City Council approved an Initial Operating Contract between the City and Invest DSM for operation and management of Invest DSM, Inc. and provision of City services related thereto, which Operating Contract was thereafter updated and entered into for a subsequent year following approval by City Council; and

WHEREAS, on May 24, 2021, by Roll Call No. 21-0784, the City Council approved a Memorandum of Understanding between the City and Invest DSM, Inc. for administration of the Block Challenge Grant under the City's Neighborhood Matching Grant fund program ("the Program") in calendar year 2021; and

WHEREAS, the approved funds were to be incorporated into a program substantially similar to the Invest DSM Block Challenge Grant program, with terms of said Memorandum including payment by the City to Invest DSM, Inc. of \$200,000 for use by Invest DSM to fund the actual costs of the Program paid to an estimated 100–150 Program participants and 10–30 participating teams, and payment by the City to Invest DSM of \$29,250 for use by Invest DSM for staff compensation and costs and expenses associated with providing administrative services for the Program and City staff training; and



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WHEREAS, on April 18, 2022, by Roll Call No. 22-0615, the City Council approved a Memorandum of Understanding to replace the above-referenced Memorandum which expired on December 31, 2021, the City's Neighborhood Services Department and Invest DSM, Inc. negotiated terms of an updated Memorandum of Understanding including payment by the City to Invest DSM, Inc. of \$200,000 for use by Invest DSM, Inc. to fund the actual costs of the Program paid to an estimate 100–150 Program participants and 10–30 teams, and Invest DSM, Inc. serving as the fiscal agent for the Program from May 1, 2022, through June 30, 2023, with the option for renewal on an annual basis; and

WHEREAS, on August 8, 2022, by Roll Call No. 22-1258, the City Council approved a First Amendment to the Memorandum of Understanding authorizing Finance and Neighborhood Services Department staff to forward an additional \$250,000 to Invest DSM, Inc., as soon as practical for project costs incurred in the BCG Program in Fiscal Year 2023 and authorized Finance Department and Neighborhood Services staff to forward \$300,000 to Invest DSM, Inc., on July 1, 2023, for the BCG Program in Fiscal Year 2024, for use by Invest DSM, Inc., for the sole purpose of funding the actual costs of the Program paid to more than 200 Program participants; and extended the agreement between the City and Invest DSM, Inc, through May 31, 2024; and

WHEREAS, on September 11, 2023, by Roll Call No. 23-1261, the City Council approved supplemental funding for the Program authorizing Finance and Neighborhood Services Department staff to forward an additional \$200,000 to Invest DSM, Inc. as soon as practical for project costs incurred in the BCG Program in Fiscal Year 2024 and for the sole purpose of funding the actual costs of the Program paid to more than 260 Program participants; and

WHEREAS, as set forth in the updated Memorandum of Understanding between the City and Invest DSM, Inc. in form on file in the office of the City Clerk, the negotiated terms of the updated Memorandum replaces the obligation of the City to pay a total administrative fee to Invest DSM, Inc. of \$15.00 per check processed by Invest DSM, Inc.. with the requirement of the City to pay \$20.00 per check processed by Invest DSM for the Program; includes payment by the City to Invest DSM, Inc. of the approved budgeted amount for fiscal year 2025; by July 1, 2024, for fiscal year 2026 by July 1, 2025,; and for fiscal year 2027; by July 1, 2026, and replaces the above-referenced First Amendment to the Memorandum which expires on May 31, 2024.

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

1. The updated Memorandum of Understanding by and between the City of Des Moines, Iowa, and Invest DSM, Inc., whereby Invest DSM, Inc. serves as the fiscal agent for the Program, is hereby approved.



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- 2. The Finance Department and Neighborhood Services Department staff are authorized and directed to provide payment in accordance therewith when applicable and to otherwise administer the Memorandum as provided for therein.

(Council Communication No. 24-136)

MOVED BY Gatto to adopt. SECOND BY Coleman

Approved as to form:

/s/ Gary D. Goudelock Jr.
Gary D. Goudelock Jr
Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN	✓			
SIMONSON	✓			
VOSS	✓			
COLEMAN	✓			
WESTERGAARD	✓			
MANDELBAUM	✓			
GATTO	✓			
TOTAL	7			

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.

MOTION CARRIED

APPROVED

Connie Boesen Mayor

Laura Baumgartner City Clerk