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Date April 25, 2011.....

RESOLUTION APPROVING PRELIMINARY TERMS OF AGREEMENT AND  
SETTING HEARING ON PROPOSED URBAN RENEWAL DEVELOPMENT  
AGREEMENT WITH KEMIN INDUSTRIES, INC., AND ALSO SETTING HEARING  
ON THE VACATION AND SALE OF CITY-OWNED REAL ESTATE,  
AND ON THE REZONING OF PROPERTY

WHEREAS, on October 25, 2010, by Roll Call No. 10-1787, the City Council authorized the City Manager to negotiate with Kemin Industries, Inc. (hereinafter "Kemin"), on an Urban Renewal Development Agreement addressing economic development incentives associated with the construction of Kemin's Five-year Capital Improvement Plan for the expansion of its home office and manufacturing facilities in the vicinity of 2100 Maury Street; and,

WHEREAS, Kemin is a multistate business having its home office within the City of Des Moines and the SE AgriBusiness Urban Renewal Area; and,

WHEREAS, a portion of the land needed for the expansion of the Kemin home office corporate campus is owned by the City of Des Moines; and,

WHEREAS, the City Manager has negotiated preliminary terms of agreement with Kemin whereby the City would undertake the following obligations:

- to relocate the City facilities from the parcel north of Scott Avenue, east of SE 20th Street, west of the Union Pacific Railroad right-of-way, and south of the future right-of-way for the SE Connector, all as more specifically described in Exhibit "A", for sale to Kemin for an expansion of its corporate campus, for a purchase price of \$800,000;
- to vacate and convey to Kemin the Scott Avenue right-of-way from the east line of SE 20th Street, extending west approximately 830 feet to the west line of the existing Union Pacific Railroad right-of-way, and also the SE 20th Street right-of-way from the north line of Scott Avenue extending north to the south line of the future right-of-way for the SE Connector, all as more specifically described in Exhibit "A", for a total purchase price of \$102,000, to be deferred and forgiven if Kemin completes the expansion of its corporate campus in substantial conformance with the Master Plan attached hereto as Exhibit "B"; and,
- to provide financial incentives to Kemin to be paid from the incremental taxes generated by the expansion and development of the Kemin corporate campus;

and Kemin would undertake the following obligations:

- to purchase the City properties as described above; and,

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- to complete the expansion of its corporate campus in substantial conformance with the Master Plan attached hereto as Exhibit "B", to retain at least 332 full-time equivalent jobs, and create an additional 98 full-time equivalent jobs,

all as more specifically described in the accompanying Council Communication; and,

WHEREAS, the land proposed to be redeveloped by Kemin for its planned expansion is currently all zoned "M-1" Light Industrial District, and Kemin's proposed expansion will include some uses on that require rezoning of such property to the "M-2" Heavy Industrial District.

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

1. The preliminary terms of agreement with Kemin Industries, Inc., for the expansion of its home office and manufacturing facilities in the vicinity of 2100 Maury Street as more specifically described in the accompanying Council Communication are hereby approved.
2. The City Council hereby declares its intention to consider a proposal to vacate the portions of E. Scott Avenue and SE 20th Street described in Exhibit "A" at a public hearing to be held in the Council Chambers at 5:00 p.m., on May 23, 2011. The proposed vacation of a portion of SE 20th Street is hereby referred to the Plan and Zoning Commission for its review and recommendation. (The vacation of E. Scott Avenue was previously considered by the Plan and Zoning Commission on November 18, 2010.) The Commission is requested to make its report and recommendation to the City Council by the public hearing scheduled above.
3. The City Council hereby further declares its intent to consider a proposal to rezone all the City-owned property described in Exhibit "A", together with the adjoining property at 1953 E. Market Street owned by Kemin Holdings, Inc., from the "M-1" Light Industrial District to the "M-2" Heavy Industrial District, at the public hearing scheduled above. The proposed rezoning is hereby referred to the City Plan and Zoning Commission for its review and recommendation. The Commission is requested to make its report and recommendation to the City Council by the public hearing scheduled above.
4. The City of Des Moines hereby further declares its intent to consider approving an Urban Renewal Development Agreement with Kemin Industries, Inc., consistent with the preliminary terms of agreement described above, which agreement provides for the sale and conveyance to Kemin of the parcels of City-owned real estate as described above, subject to the street rights-of-way being first vacated. Such Development Agreement, sale and conveyance shall also be considered at the public hearing scheduled above.


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5. The City Clerk is hereby authorized and directed to publish notice of said proposals in the form hereto attached all in accordance with § 362.3 of the Iowa Code.

( Council Communication No. 11- **255** )

MOVED by \_\_\_\_\_ to adopt.

FORM APPROVED:

  
 Roger K. Brown

Assistant City Attorney

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Exhibits:

"A" - Legal Descriptions

"B" - Kemin Master Plan

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
TOTAL				

**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.

MOTION CARRIED

APPROVED

\_\_\_\_\_  
 Mayor

\_\_\_\_\_  
 City Clerk