CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

DATE: April 20, 2020

ITEM: **Resolution** - Authorizing the City Manager to waive and defer Development Agreement requirements for businesses impacted by COVID-19.

FINANCIAL IMPACT: Financial impact not determined.

BACKGROUND:

On March 16, 2020, Governor Kim Reynolds announced a proclamation of Disaster Emergency due to the global pandemic, COVID-19.

Following the proclamation, Iowa Economic Development Authority launched the Iowa Small Business Relief Program. This program accepted applications until March 31st and approximately 10,000 applications were received. This program is providing $5,000-$25,000 in grants to small businesses for immediate financial relief of hardship experienced during COVID-19. Additionally, the Targeted Small Business Program will take applications from eligible businesses for their programming until funding is depleted. Eligible businesses may receive grants of up to $10,000 through this program. Funds are expected to be disbursed this week.

The Federal CARES ACT continues to roll out further business assistance programs such as payroll protection, various SBA loans and grants, and personal assistance to employees impacted during the event. Assistance through Economic Development Administration for disaster recovery is expected to be in the area of $1.5 billion.

Staff is recommending the Council authorize the City Manager the ability to waive or defer Development Agreement requirements and extend Development Agreements when compliance is not possible due to COVID-19.

OUTSTANDING ISSUES (if any): None

RECOMMENDATION: That Council approve the Resolution authorizing the City Manager to waive and defer Development Agreement requirements for business partners that cannot meet those requirements due to COVID-19.

Lead Staff Member: **Rachel Wacker, Business Development Coordinator**

STAFF REVIEWS

Department Director	Clyde Evans, Community and Economic Development Director
Appropriations/Finance	Tim Stiles, Finance Director
Legal	Richard Scieszinski, City Attorney
Agenda Acceptance	

PUBLICATION(S) (if applicable)

Published In	na
Dates(s) Published	na

SUBCOMMITTEE REVIEW (if applicable)

Committee	Finance & Administration		
Date Reviewed	April 08, 2020		
Recommendations	X Yes	No	NA

Prepared by: Rachel Wacker, Community & Economic Development, PO Box 65320, W.D.M., IA 50265-0320, 515-273-0770
When Recorded, Return to: City Clerk, City of West Des Moines, PO Box 65320, West Des Moines, IA 50265-0320

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST DES MOINES, IOWA AUTHORIZING THE CITY MANAGER TO PROVIDE TEMPORARY RELIEF FOR DEVELOPMENT AGREEMENT PARTNERS ADVERSELY IMPACTED BY COVID-19

WHEREAS, On March 16, 2020, Governor Kim Reynolds announced a proclamation of Disaster Emergency due to the global pandemic, COVID-19; and

WHEREAS, The City of West Des Moines City Council recognizes the economic injury that businesses in Development Agreements with the City of West Des Moines are experiencing due to COVID-19; and

WHEREAS, the City Council wishes to authorize the City Manager the ability to waive or defer conditions of or extend Development Agreements when the inability to comply with the Development Agreement is due to COVID-19.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST DES MOINES DOES ENACT THE FOLLOWING BUSINESS RELIEF SUPPORT DUE TO COVID-19:

1. The City Council of the City of West Des Moines grants the City Manager the authority to waive Development Agreement requirements, if a business sufficiently demonstrates its inability to comply is due to the COVID-19.
2. The City Council authorizes the City Manager to defer Valley Junction program loan payments up to January 1, 2021 for borrowers within the Property Improvement Fund program who sufficiently demonstrate their inability to make timely loan repayments is due to COVID-19.
3. The City Council of the City of West Des Moines authorizes the City Manager to grant Development Agreement partners not in compliance with Development Agreements due to COVID-19 a maximum 1-year extension on a Traditional Development Agreement and a maximum 6-month extension on a Valley Junction Loan or Grant Agreement, if the need is sufficiently demonstrated by the partners to the agreements.
4. The authority granted above shall remain in effect until January 1, 2021.

Passed and approved by the City Council on the 20th day of April 2020.

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Steven K. Gaer, Mayor

ATTEST:

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Ryan T. Jacobson, City Clerk