

IEDA DTHG

Item # 7K
Date: 8/12/24

RESOLUTION NO. 014 (2024/2025)

A RESOLUTION APPROVING DEVELOPMENT AGREEMENT BETWEEN CAMELOT THEATER FOUNDATION AND CITY OF NEVADA, IOWA, FOR IOWA ECONOMIC DEVELOPMENT AUTHORITY DOWNTOWN HOUSING GRANT PROJECT NO. 22-ARPDH-040

WHEREAS, the City of Nevada (City) is entering into a development agreement with Camelot Theater Foundation (Developer); and

WHEREAS, the Camelot Theater Foundation is a 501c3 non-profit corporation formed to own, revitalize, and maintain the historic Camelot Theater in downtown Nevada, Iowa; and

WHEREAS, the City submitted a grant application to the Iowa Economic Development Authority (IEDA) for a Downtown Housing Grant (DTHG) for a proposed project at 1114 6th Street in the City; and

WHEREAS, the DTHG will provide upper story living spaces that will be focused on the rehabilitation of two upper apartments that will be converted to single bedroom apartments, which includes the apartment envelopes with new windows, brickwork, and upgraded HVAC; and

WHEREAS, the sub-grant agreement has been prepared between the Developer and the City subject to the terms and conditions outlined in Exhibit A; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Nevada, Iowa, that the City supports the revitalization and rehabilitation of the historic Camelot Theater and approves the Development Agreement in Exhibit A. The Mayor and Clerk are hereby authorized to execute the agreement and execute such other documents that are necessary on the City of Nevada's behalf.

Passed and approved this 12th day of August, 2024.

Brett Barker, Mayor

ATTEST:

Kerin Wright, City Clerk

DEVELOPMENT AGREEMENT
IEDA Downtown Housing Grant
Project No: 22-ARPDH-040

This Development Agreement ("Agreement") made this day _____ of August, 2024, by and between the CITY OF NEVADA, IOWA ("City") and CAMELOT THEATER FOUNDATION ("Developer").

WHEREAS, the City submitted a grant application to the Iowa Economic Development Authority ("IEDA") for a Downtown Housing Grant for a proposed Project located at 1114 6th Street in the City of Nevada, IA, to be completed at property owned by Developer; and

WHEREAS, the Grant application was approved for this project by IEDA and accepted by the City upon the terms and conditions set out by IEDA; and

WHEREAS, the Developer, as owner of the property, accepts the grant upon the terms and conditions set out in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the Parties agree as follows:

1. PROJECT. "Project" means the activities and other obligations to be performed or accomplished by the City and the Developer as described in this Agreement, in the Scope of Work set out herein and, in the application, submitted through IowaGrants.gov.

2. PROJECT COMPLETION PERIOD. The "Project Completion Period" commences with the Date of Award Letter from IEDA, April 27, 2022 and ends with the Project Completion Date set out in the grant, June 14, 2024. Amendment Number Two of the Grant Agreement was extended to December 31, 2024.

3. COSTS TO BE REIMBURSED. The costs to be reimbursed under this agreement are those costs that are directly related to the Project, as set out in Section 261-45.2 of Iowa Administrative Code. Those costs specifically do not include expenditures for furnishings, appliances, accounting services, legal services, loan origination and other financing costs, syndication fees and related costs, developer fees, or the costs associated with selling or renting dwelling units whether incurred before or after completion of the Project.

4. PRIOR EXPENSES. No expenditures made prior to the Date of Award Letter may be included as Project Costs.

5. MAINTENANCE OF INSURANCE. The Developer shall maintain the project property in good repair and condition, ordinary wear and tear excepted, and shall not suffer or commit waste or damage upon the project property. The Developer shall pay for and maintain insurance in an amount not less than the full insurable value of the project property. The Developer shall name the City and the IEDA as mortgagees and/or an additional loss payee(s). The Developer shall provide the City with a copy of each and every insurance policy in effect.

6. SCOPE OF WORK. The Project includes restoring the façade to its original classical revival style following a design created from the original blueprints. The two upper apartments will be fully remodeled to become single bedroom apartments. The rehabilitation includes new energy efficient double pane windows, brickwork and upgraded HVAC. Brickwork on the façade will be re-tuckpointed and sealed to help weatherproof and structurally stabilize the apartments exterior walls, as more specifically described in the Grant application.

7. **WORK RESPONSIBILITIES.** Subject to the terms of this Agreement, Developer will be solely responsible for completing all work on the Project. Neither party will be considered an agent of the other for purposes of this Project, and each will hold harmless and indemnify the other for any damages suffered by any person or entity as a result of its own or its agents' acts or failures to act in performance of its obligations under this Agreement.

8. **FINANCIAL OBLIGATION.** In addition to the Grant funding, the parties agree to the following financial commitments.

The City shall commit an amount of \$30,000 for four fiscal years beginning in FY2022/2023.

The Developer shall commit any additional amounts necessary to complete the project and shall be the responsibility of the Developer.

9. **ASSIGNMENT OF AGREEMENT.** The Parties may not assign, transfer or convey in whole or in part this Agreement, without the consent of each Party. Consent shall not be unreasonably withheld.

10. **WRITING REQUIRED.** No change, modification, or termination of any of the terms, provisions or conditions of this Agreement shall be effective unless made in writing and signed by the Parties.

11. **PAYMENT PROCEDURES FOR GRANT FUNDS.** Payment under the Grant shall be made on a reimbursement basis. Requests for reimbursement shall be submitted at two points in the Project. The first request shall be made at the Project Mid-Point after costs directly related to the Project are equal or greater than 60% of the Grant Fund as well as the required 25% match. The final request for reimbursement shall be made within thirty (30) days of the Project Completion Date for the remaining 40% of the Grant Fund. Each request for reimbursement will include reports of the work completed, including photographs of the Project. Payments will be made to Developer within thirty (30) days of the receipt by the City of funds from the IEDA.

12. **MISCELLANEOUS.**

a Any publications or media releases related to the Project will contain the following. This Project is Sponsored in Part by the Iowa Economic Development Authority and the City of Nevada.

b The City's obligation to provide funds is contingent on funds being available to the City from the IEDA under the Downtown Housing Grant. Developer will hold the City harmless from any damage Developer sustains as a result of funds for the Project being unavailable through the Downtown Housing Grant.

c If the City's agreement with IEDA is modified in any way, this Agreement will be similarly modified, if necessary, to comply with or carry out the obligations of the IEDA agreement. Developer will hold the City harmless from any damage Developer sustains as a result of modifications to the City's agreement with IEDA over which the City has no control.

d The City's Mayor, City Council members, and employees, and their immediate family members will not be paid for any work they perform on the Project through contracts with the Developer unless that work was contracted through a competitive bidding process.

13. ENTIRE AGREEMENT. This Agreement contains the entire understanding between the City and the Developer with respect to the Project contained herein.

IN WITNESS WHEREOF, the parties have executed this Agreement at Nevada, Story County, Iowa, the day and year first stated.

CITY OF NEVADA

BY: _____
Mayor, Brett Barker

ATTEST: _____
City Clerk, Kerin Wright

CAMELOT THEATER FOUNDATION

BY: _____
Melissa Sly