


COUNCIL COMMUNICATION

	Number:	24-223	Meeting:	May 20, 2024
	Agenda Item:	31	Roll Call:	24-0753
	Submitted by:	Cody Christensen, Development Services Director		

AGENDA HEADING:

Approval of Third Amendment to Amended and Restated Urban Renewal Development Agreement with The District Developer, LLC.

SYNOPSIS:

The purpose of this Third Amendment to the Amended and Restated Urban Renewal Development Agreement is to provide a one (1)-year extension to the deadline for The District Developer, LLC (Paul Hayes, Managing Member, 350 East Locust Street, Suite 309, Des Moines, IA 50309) to construct Vine Street to December 31, 2026, and to provide the City with a one (1)-year extension to complete the construction of East 5th Street to December 31, 2030.

FISCAL IMPACT:

This amendment does not propose any changes to the financial terms of the development agreement.

ADDITIONAL INFORMATION:

- An Urban Renewal Development Agreement for the redevelopment of a substantial portion of the Market District area with The District Developer, LLC was originally approved by the City Council on January 25, 2021. On a redevelopment effort of this scale, it was anticipated that amendments to the agreement may periodically be needed, as real estate market conditions warrant and more is known on the dates related to the construction of public improvements, including the MSC II and streets and utilities in the area.
- Significant building demolition, environmental remediation, and infrastructure work is needed before vertical construction can begin. The Developer's early cost projections to ready the properties for redevelopment and construct necessary infrastructure are in excess of \$25 million. Construction of Phase I and Phase II street infrastructure work has commenced and is expected to continue over the coming years.
- The construction of Vine Street was delayed to allow for time needed to research rail road easements along Vine Street and for the City to provide communications regarding those easements to Iowa Interstate Railroad, LLC.

PREVIOUS COUNCIL ACTION(S):

Date: October 2, 2023

Roll Call Number: [23-1341](#)

Action: [Second](#) Amendment to the Amended and Restated Urban Renewal Development Agreement with The District Developer, LLC to develop the master planned mixed-use redevelopment of 10 blocks of private and City-owned property located in the vicinity of East 4th and East Market Streets. ([Council Communication No. 23-429](#)) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-0.

BOARD/COMMISSION ACTION(S):

Board: Urban Design Review Board

Date: January 19, 2021

Resolution Number: N/A

Action: Motion to recommend approval of the design as presented noting Board comments including future District-wide signage to come before the Board for design review by Hielkema. Seconded by Wilke-Shapiro. Motion carried. Yes = 6, No = 0, Abstain = 3, Absent = 0.

Board: Plan and Zoning Commission

Date: November 5, 2020

Resolution Number: N/A

Action: The Plan and Zoning Commission voted 14-0 in support of approval of Part A) the City initiated vacation of Raccoon Street from Southeast 4th Street to Southeast 5th Street, and the north/south segment of alley between Southeast 4th Street to Southeast 5th Street from Raccoon Street to East Martin Luther King, Jr. Parkway, Part B) APPROVAL of the City initiated amendment to Section 135-2.18 of the City Code to revise regulations regarding applicability of Design Alternatives for maximum height requirements within the Capitol Dominance Area, Part C) APPROVAL of the developer initiated Large Scale Development plan and City-initiated rezoning being found in conformance with the PlanDSM Creating Our Tomorrow Comprehensive Plan, Part D) APPROVAL of the developer initiated Large-Scale Development Plan for the area, and adoption of it as a revision to the Market District of the East Village Master Plan element of PlanDSM Creating Our Tomorrow Comprehensive Plan, subject to addition of a table on Sheet 3 indicating maximum building heights outside the identified viewshed protection corridor, Part E) APPROVAL of the submitted Preliminary Plat for “The Market District” subject to the following conditions, Part F) APPROVAL of City initiated request to rezone property in the area west of Southeast 2nd Street from “DX2” Downtown District to “DXR” Downtown District, and rezone the property in the area east of Southeast 2nd Street from “DX2” Downtown District and “P2” Public, Civic and Institutional District to “DX1” Downtown District with the limitation of a Maximum Height for Buildings that is legally described based on the view corridor model established by the Large-Scale Development Plan.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Approval of public improvement plans/private construction contracts for additional street and utility infrastructure work.
- Urban Design Review Board – review and recommendations for development projects as they are proposed.

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