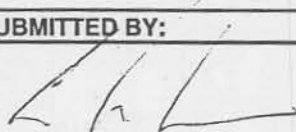


**OFFICE OF THE CITY MANAGER
DES MOINES, IOWA**

**CITY COUNCIL COMMUNICATION 96-089
FEBRUARY 26, 1996 AGENDA**

SUBJECT:	TYPE:	PREPARED BY:	SUBMITTED BY:
CAPITOL EAST URBAN RENEWAL AREA — APPROVAL OF DOCUMENTS	◆ RESOLUTION ORDINANCE RECEIVE/FILE	SCOTT STRICKER ECONOMIC DEVELOPMENT ADMINISTRATOR	 ERIC A. ANDERSON CITY MANAGER

SYNOPSIS —

On the February 26, 1996, Council agenda is a roll call to approve the Minimum Development Requirements, Competitive Criteria, and the form of the urban renewal contract for the sale of Disposition Parcel No. 3/Capitol East Urban Renewal Area Project (1441 East Grand Avenue).

FISCAL IMPACT —

The sale proceeds for Disposition Parcel No. 3/Capitol East Urban Renewal Area Project will be credited to the Capitol East Commercial CDBG account. This parcel qualifies for urban revitalization tax abatement.

RECOMMENDATION —

Approval of the roll call which establishes Minimum Development Requirements, Competitive Criteria, and the form of urban renewal contract for Disposition Parcel No. 3 (1441 East Grand Avenue).

BACKGROUND —

Disposition Parcel No. 3/Capitol East Urban Renewal Project Area is located on the south side of East Grand Avenue between East Fourteenth Court and East Fifteenth Streets. In 1994-1995, the City of Des Moines purchased the parcels and demolished structures in order to redevelop the site for a commercial use.

The Urban Renewal Board reviewed the Minimum Development Requirements and Competitive Criteria at its meeting of February 20, 1996 and recommended approval. The Capitol Area Neighborhood Association also approved the Minimum Development Requirements and Competitive Criteria on February 20, 1996.

The Minimum Development Requirements (Minimums) serve as *qualifying thresholds* for prospective offerors for the redevelopment of the property. The Minimums also establish the minimum level of development acceptable to the City for the sale of the property. The Minimums for the property are for a neighborhood commercial or office use which are in keeping with the strategies and actions contained in the Capitol East Neighborhood Action Plan. Development of this type will act as a catalyst for further redevelopment of the Capitol East area.

The Minimums currently do not contain a minimum price for the purchase of the property; the Engineering Department is currently conducting a reuse appraisal for the property. The sale price determined by the re-use appraisal will be fair market value.

The proposed Competitive Criteria (*Competitives*) have been developed as an evaluation tool to aid in the selection of a preferred developer to undertake the project if more than one proposal is received. Points are awarded by category for each proposal in relation to how well the proposal meets the stated criteria. The points are then totaled for each of the proposals. The Competitive Criteria are designed to reward proposals that meet the City's desired intent for redevelopment of the property.

Standard urban renewal submission requirements will be utilized in the offering relating to public disclosure, developer qualifications and financial responsibility, and graphic submittals. A requirement for providing a written explanation of how each Minimum Development Requirement has been satisfied has been added. In addition, a submissions checklist must be completed and submitted with the proposal. These items have been added to highlight the importance of satisfying the minimum requirements and to complete submission.

The City's urban renewal redevelopment contract will be utilized for this offering.

The offering period for this project will begin with a marketing period to identify potential developers. It is anticipated that submission of proposals from the interested developers will occur in summer 1996. An update on the marketing and offering will be provided to the Council at such time as the staff identify interested developers.