

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

**CITY COUNCIL COMMUNICATION 96-459
OCTOBER 21, 1996 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
RISE GRANT APPLICATION— RELOCATED IOWA 5	◆ RESOLUTION ORDINANCE RECEIVE/FILE	JAMES A. THOMPSON TRAFFIC AND TRANSPORTATION DIRECTOR

SYNOPSIS —

In order to expedite the construction of Relocated Iowa 5 from SW 9th Street west to Iowa 28 and beyond to I-35, the City and Polk County have cooperated on a Revitalize Iowa's Sound Economy (RISE) application to be submitted to the Iowa Department of Transportation (IDOT) for consideration. This application would provide a total of \$22,000,000 of funding for construction of the segment of the south beltway (Relocated Iowa 5) between SW 9th Street and Iowa Highway 28.

FISCAL IMPACT —

The RISE application would provide a total of \$22,000,000 of funding for construction of the project. Of the total funds necessary, the RISE grant to the City of Des Moines would amount to \$4,000,000. The Polk County Supervisors, by Resolution Number 122-96, dated October 15, 1996, agreed to provide the remainder of the funds in the amount of \$18,000,000.

RECOMMENDATION —

Approve the RISE grant application, authorize the Mayor to execute the application, and direct the City Manager to submit the application to the IDOT.

BACKGROUND —

The IDOT has planned for a beltway on the east (Relocated US 65) and south (Relocated Iowa 5) sides of the Des Moines metropolitan area since the 1970s. At the urging of the metropolitan area, the first phases of the overall project were initiated on the east segments of the project (Relocated US 65). Currently, the section from I-80 near the Hubbell Avenue interchange south to University Avenue (Iowa Highway 163) near Pleasant Hill is completed and open to traffic. Additional sections from Pleasant Hill south and west to present US 65/69 just south of the Des Moines City limits in Warren County are under construction and are scheduled for completion in 1997.

On April 15, 1996, by Roll Call No. 96-1400, the Des Moines City Council approved the predesign project agreement with the IDOT for the design and construction of Relocated Iowa 5 from US 65/69 west to I-35. On July 30, 1996, the IDOT held a public hearing on the proposed relocation of Iowa 5 (South Beltway) along the south side of Des Moines between US 65/69 and SW 9th Street. On August 5, 1996, by Roll Call No. 96-2793, the Des Moines City Council supported the design and construction of this portion of Relocated Iowa 5, and encouraged the IDOT to expedite the construction of the remainder of this facility west to Iowa 28 and beyond to I-35. Subsequently, the IDOT Commission approved the design and the extension of the beltway facility to SW 9th Street with completion scheduled in 2000. Although no construction schedule has been established, the Department staff is currently designing the remainder of the facility between SW 9th Street and I-35. Coordination of

design activities between the City of Des Moines and the IDOT is underway for those portions of the project that are common with the roadway relocations required for the expansion of the Crosswind Runway at the Des Moines International Airport.

The Des Moines International Airport is the largest and most heavily used Airport in the State, both for passenger and freight operations. The area to the south of the Airport presents a unique opportunity within the metropolitan area for the development of a premiere business center, with the potential to employ thousands of Iowans in quality jobs and to significantly enhance the area's tax base. Although the Airport is a tremendous asset for attracting new development and business growth, the absence of direct freeway type access has severely hindered the area's potential growth. Relocated Iowa 5 would provide that transportation access with direct links between the business center and I-35 and I-80.

In order to expedite the construction of Relocated Iowa 5 from SW 9th Street west to Iowa 28 and beyond to I-35, the City and Polk County have cooperated on a RISE application to be submitted to the IDOT for consideration. This application would provide a total of \$22,000,000 of funding for construction of the project between SW 9th Street and Iowa 28. Of the total funds necessary, the RISE grant to the City of Des Moines would amount to \$4,000,000. The Polk County Supervisors, by Resolution Number 122-96, dated October 15, 1996, agreed to provide the remainder of the funds in the amount of \$18,000,000. The Polk County resolution contains the following contingencies:

- The IDOT Commission will program for construction the remaining segment of Relocated Iowa 5 from Iowa 28 to I-35 to be open for traffic in 2002.
- The SW 50th Street interchange will be constructed as part of the Relocated Iowa 5 Project at the IDOT's cost, ending speculation about access to areas west of I-35.
- Polk County's cost for the portion of Relocated Iowa 5 between Southwest 9th Street and Iowa 28 will not exceed \$18,000,000. Any reduction in project costs will be credited to Polk County's local effort.

Development Potential and Job Creation

The Airport Business Park is expected to reach a total value over \$128,000,000 when fully developed. Based on the planned business park zoning requirements, the area's attributes and market potential, it is generally expected that the majority of land within the Airport Business Park will be developed for commercial/office and warehouse/wholesale/distribution uses. Although the ultimate mix is difficult to predict, it is projected that 65 percent of the usable acreage will be developed with the above-mentioned uses, and the remaining 35 percent of the land will be developed for light industrial/manufacturing uses.

Based on analysis of similar development projects, it is reasonable to assume the creation of 15 to 25 direct jobs per usable acre. Following the above assumptions, it is estimated that between 3,465 to 5,775 direct jobs will be created within 10 years after completion of the Relocated Iowa 5 project in the Airport Business Park alone. Under the projected buildout for the park, between 690 to 1,150 direct jobs will be created in the first two years.

Even though it appears that the level of public and private financial commitment to the Relocated Iowa 5 project, combined with the job creation expected in the Airport Business Park, is more than sufficient to warrant award of the requested RISE grant, it should be remembered that the *real* total benefits are much greater. As a major regional transportation facility, the proposed project will spur economic development growth over a wide geographic area, causing the creation of substantially more direct jobs than expected from the Airport Business Park alone.