

CITY COUNCIL COMMUNICATION 97-457  
SEPTEMBER 22, 1997 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
GATEWAY WEST INTERIM REPORT	◆ RESOLUTION ORDINANCE RECEIVE/FILE	ERIC A. ANDERSON CITY MANAGER

**SYNOPSIS —**

As requested by Council, the report and recommendation of the Gateway West Steering Committee has been reviewed by the following boards and commissions:

Plan and Zoning Commission  
Urban Renewal Board  
Park Board  
Library Board  
Historic District Commission  
Skywalk Commission  
Neighborhood Revitalization Board

Each board or commission has submitted a recommendation to the Council which appears on your agenda of September 22, 1997. However, for reasons outlined below, staff is recommending that Council **not** take action on the Gateway West Project at this time. Rather, staff recommends that we first complete certain feasibility studies that will provide essential information about the proposed project. These feasibility studies will focus on: 1) identification of any environmental contaminants that may be located within the Gateway West Project area; 2) further identification of the types of public improvements and attractions that will be needed in the Gateway West Project and that are feasible, affordable, and viable for the downtown and the entire City; and 3) the potential for restoration of some of the existing buildings within the proposed Gateway West Project area.

In addition, a financing and implementation plan is being developed in conjunction with Des Moines Development Corporation but is not yet resolved. Until a financing and implementation plan is prepared, it would be premature for us to take action on the project.

**FISCAL IMPACT —**

The cost of the three feasibility studies outlined above is estimated to be about \$100,000. This cost will be shared 50/50 with Des Moines Development Corporation. The City's cost share (up to \$50,000) will be funded from available tax increment dollars.

**RECOMMENDATION —**

Authorize the City Manager to: 1) solicit consulting services for the three feasibility studies identified above; 2) prepare a comprehensive analysis and recommendation of the project for presentation to Council in early 1998, taking into account the recommendations of the various boards and commissions; and 3) continue discussions with Des Moines Development Corporation regarding a financing and implementation plan for the project, including details of a proposed implementation entity.

**BACKGROUND —**

On May 19, 1997, the City Council received a report from the Gateway West Steering Committee regarding the proposed Gateway West Project. The Council referred the report and recommendation of the Gateway West Steering Committee to the City Manager and appropriate boards and commissions. Each of the boards and commissions have taken an action and submitted a recommendation to Council.

The City Manager and staff have worked as a team to review the project report and recommendation. The City Manager has also met with representatives of the Des Moines Development Corporation to discuss financing options and an implementation strategy.

Before any decisions are made to implement the Gateway West Project, including the purchase of land and specific improvements and attractions in the Gateway West area, it is necessary that we conduct further analysis to provide Council with essential information that will impact the cost and long-term viability of the project. These studies are outlined below.

- A Phase One environmental study of the entire Gateway West Project has been completed by the Engineering Department. The study recommends that we undertake the necessary Phase Two (soil borings) analysis to identify any environmental contaminants that will require remediation. Because this required remediation would impact project costs, it is necessary that we initiate the Phase Two analysis immediately so that this information will be available at the time Council considers the project. The cost of the Phase Two environmental study is estimated to be about \$30,000.
- The Gateway Steering Committee's proposed plan for Gateway West identified possible public improvements, attractions, and certain limited private uses for the Gateway West area. However, the selection of specific improvements and attractions for the Gateway West area has not been thoroughly examined, and the long-term viability of the project will depend to a large extent on the types of attractions and improvements that are selected for the area. This study should identify the types of improvements and attractions that will be appealing to all residents of the City, as well as businesses and residents that will be in the immediate area of the Gateway. It is also important that the study take into account the broader needs of the downtown so that programming decisions within Gateway West are compatible with existing and proposed efforts elsewhere within the downtown area. It is recommended that such a study be initiated immediately. We estimate the total cost to be about \$50,000.
- By prior action, the City Council has directed that we undertake a feasibility study to address the potential for restoration of some of the existing buildings within the proposed Gateway West Project area. Several of these buildings are potentially architecturally/historically significant, and it is important to consider the restoration of these buildings if it proves to be cost-effective to do so. Therefore, we recommend that the feasibility study on existing architecturally/historically significant buildings within the Gateway West area should be initiated immediately. We estimate the cost of such a study to be about \$20,000.