



**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

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

**98-275**

**SYNOPSIS –**

**AGENDA:**

JUNE 22, 1998

**SUBJECT:**

APPROVAL OF  
REQUEST FOR  
DEVELOPMENT  
PROPOSALS  
FORCOURT  
AVENUE  
ENTERTAINMENT  
COMPLEX AND  
RELATED ACTIONS

On the June 22, 1998 Council agenda is a roll call to approve the Request For Proposals (RFP) for the development of a Court Avenue Entertainment Complex. This resolution also directs staff to undertake related activities such as identifying public right-of-ways that may need to be vacated, rezoning actions that may be required, preparing urban renewal plan amendments, and other actions as may be needed to prepare the site for redevelopment.

An interdepartmental team comprised of Bruce Gates and Andrea Hauer of the Office of Economic Development, Larry McDowell and Roger Brown of the Legal Department, Gary Fox of the Engineering Department, and Debra Smith and Mary Kay Wilcox of the Community Development Department have prepared the RFP and related documents.

**TYPE:**

**RESOLUTION  
ORDINANCE  
RECEIVE/FILE**

**FISCAL IMPACT —**

**SUBMITTED BY:**

RICHARD CLARK  
DEPUTY CITY  
MANAGER

Authorizing the RFP and selecting a developer does not incur any financial obligations for the City. However, the subsequent approval of a development agreement would likely require City investment. The amount of City investment will depend on the development proposal, the size of the project and the price of the land. The anticipated sources of public funding for the project will be provided primarily by tax increment financing (TIF).

**RECOMMENDATION —**

**Approval of the resolution authorizing the RFP and related actions is recommended.**

**BACKGROUND —**

At the June 15, 1998 meeting, City Council referred a report from the Entertainment Center Task Force to the City Manager. In response, we are recommending an RFP be issued immediately, requesting developers to submit information on their development proposals for an entertainment complex to be located on Court Avenue.

An expedited RFP process is recommended because of strong interest expressed by developers. Staff has prepared an RFP document which identifies the site and a set of criteria to evaluate and select a developer. The Council will have the right to reject any or all responses.

If the Council selects a developer, the City will then negotiate a contract and final design plans. The RFP process provides flexibility for both the developer and the City.

The proposed schedule for this process is:

<i>Date</i>	<i>Action</i>
June 22, 1998	Council Approval of RFP
June 30, 1998	Question and Answer session for interested developers
July 30, 1998	Special Urban Renewal Board and Architectural Advisory Committee meeting to receive development proposals
July 29-August 11, 1998	Urban Renewal Board, Architectural Advisory Committee, and City Manager evaluation and recommendation on proposals
August 17, 1998	Council meeting to select developer (tentative)
August 1998	City and Developer (if selected) begin negotiation of development agreement and finalize design plans
Fall 1998	Execution of development contract (estimate)
Fall 1998	Acquisition of property begins (estimate)
Spring 1999	Developer to begin construction (estimate)

The RFP requires developers to meet certain minimum requirements including:

- At least 200,000 square feet of gross leasable area.
- Sixteen movie theaters.
- At least 100,000 square feet for retail, entertainment and restaurant use.

The following outline summarizes, in brief, the criteria that will be used by the City to evaluate developer proposals:

- *Developer Team Qualifications* (50 points)  
(Financial capability, experience of developer team, ability to market retail space, etc.)
- *Fiscal Impact* (50 points)  
(The value of net additional property tax revenues—and any other City revenues generated by the project—taking into account the cost of the land, price offered by the developer, tax abatements, and any other public investments.)
- *Uses* (30 points)  
(The extent to which the minimum square footage is exceeded.)
- *Development Concept* (20 points)  
(The extent to which the project enhances the streetscape and pedestrian experience on Court Avenue and around the development site.)

The site selected for the proposed entertainment complex is shown on the attached map. It is generally comprised of property located south of Court Avenue between SW 3rd and SW 5th Streets extending to the Rock Island Depot. Several buildings in this site—the Spaghetti Works, Rock Island Depot, and the office building at 108 SW 3rd—**are not part of the site for the development complex.** These older buildings provide a portion of ‘urban fabric’ that makes Court Avenue an attractive location for development.

This site appears to be the most desirable site for a variety of reasons. It has sufficient size to support an economically feasible development while preserving existing historical buildings. It provides Court Avenue frontage to expand the Court Avenue District pedestrian environment. The closeness to the skywalk (in the Saddlery Building) will provide necessary market support for retail operations at this location.

Associated with this development is the need for additional parking. The City has tentatively identified property south of the Rock Island Depot as a likely location for 500-600 new surface parking spaces that would be available for all retail business in the area.

### ***Other Actions***

The roll call also directs staff to identify and prepare necessary actions relating to:

- Urban renewal plan amendments—Designate acquisition and disposition parcels and to update the tax increment reports.
- Rezoning—Analyze and recommend the appropriate zoning for this site which is currently zoned C3 and C3A.
- Rights-of-Way—Identify the rights-of-way which need to be vacated and conveyed as part of the project.

Attachment