

**CITY COUNCIL  
COMMUNICATION:**

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

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

**98-293**

**SYNOPSIS –**

**AGENDA:**

JULY 13, 1998

**SUBJECT:**

\$100,000  
ADDITIONAL EPA  
GRANT/PROPOSED  
DES MOINES  
AGRIBUSINESS  
PARK

On the July 13, 1998 Council agenda is a resolution to submit an amended application to secure an additional \$100,000 grant from Region VII - U.S. Environmental Protection Agency's (EPA) Brownfields Economic Redevelopment Initiative Program for site assessment work and related planning for the proposed Des Moines Agribusiness Park. The proposed Park is located between SE 30th and SE 43rd Streets (City limits) as well as Scott Avenue and the Burlington-Northern rail line. Funds are needed to conduct environmental testing on additional sites as well as to determine the extent of contamination in order to address the environmental uncertainty on sizable acreages that agribusinesses require for redevelopment. Ellen Walkowiak with the City's Office of Economic Development is coordinating the City activities relative to this project.

**TYPE:**

**RESOLUTION  
ORDINANCE  
RECEIVE/FILE**

**SUBMITTED BY:**

ERIC A. ANDERSON  
CITY MANAGER

**FISCAL IMPACT –**

N/A. No matching funds are required.

**RECOMMENDATION –**

**1. Authorize the Mayor to submit and execute the Amended Application for Federal Assistance, where necessary, and any additional documents which may be required in the future for funding from Region VII - U.S. Environmental Protection Agency's Brownfields Economic Redevelopment Initiative Program; and**

**2. Authorize the City Manager or his designee to provide the necessary follow-up assistance to pursue funding from the Program for redevelopment of the proposed Des Moines Agribusiness Park.**

## **BACKGROUND –**

On July 21, 1997, by Roll Call No. 97-2895, the City Council ratified the Mayor's signature and submittal of an Application for Federal Assistance for an initial \$100,000 grant from Region VII of the EPA under the Brownfields Economic Redevelopment Initiative Program. On September 8, 1997, EPA awarded the City a \$100,000 grant to conduct Phase I and II environmental assessment work on sites that pose the greatest threat of contamination and are most readily developable in the proposed Park and to perform related planning.

At the time of grant award, EPA indicated that it would consider providing up to a ceiling of a \$200,000 grant should additional funding be available in the future. Funding is also contingent on the City's project performance and the need for additional funds.

Stanley Consultants completed a Phase I environmental assessment in May 1998. This research involved reviewing public records, interviewing landowners and others, and viewing properties as permitted to understand the environmental conditions related to prior and existing land uses both in the proposed Agribusiness Park and on surrounding sites.

Results of the Phase I research indicate that a Phase II environmental assessment, which involves soil and groundwater testing, should be conducted on one publicly-owned and 32 privately-owned sites. These sites represent approximately 230 acres, although entire acreages may not need to be tested. Sites will be prioritized for testing based on available funding. According to the City's existing Cooperative Agreement with the EPA, a Phase II environmental assessment is required to be performed on at least five sites.

Additional funds are needed to conduct Phase II environmental testing on a minimum of ten more sites as well as to determine the extent of contamination rather than merely to confirm its presence. The consultant selected to conduct this work will also be required to recommend cost-effective environmental remediation strategies on a site-specific basis or within an integrated context, as appropriate, based on the type and extent

of contaminant. Additional site characterization will result in determining the environmental condition of approximately 100 acres which will improve the redevelopment potential of the area markedly.

EPA has invited the City to submit an Amended Application for Federal Assistance and necessary information in order to consider providing the City with an additional \$100,000 grant to facilitate redevelopment of potentially-contaminated sites in the proposed Agribusiness Park. No matching funds are required to obtain this EPA grant.

All work is projected to be completed by September 1999, as referenced in the existing Cooperative Agreement with the EPA. If additional time is needed, EPA has stated that an extension can be granted.

The success of this project requires that the nature and extent of environmental problems are known on extensive acreage in order to focus attention on resolving them as well as to provide sizable redevelopment sites that agribusiness needs. Additional resources that EPA commits to the project will make a significant difference in attracting and securing investment in the Park.

The development of the proposed Des Moines Agribusiness Park will result in revitalizing approximately 1,200 acres of blighted, underutilized land in the eastern part of Des Moines that will be dedicated primarily to attracting and expanding value-added agricultural enterprises and providing quality, livable wage jobs. It is projected that within 20 years, development of vacant and underutilized land in the proposed Park will add approximately \$250 million to the tax base and generate about 7,000 new jobs. This project will create a national progressive identity for the City and the State of Iowa as an agribusiness leader, and will enhance Iowa's urban and rural economies.