

**CITY COUNCIL  
COMMUNICATION:**

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

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

**99-231**

**SYNOPSIS -**

**AGENDA:**

MAY 17, 1999

**SUBJECT:**

COURT AVENUE  
ENTERTAINMENT  
CENTER PUBLIC  
PARKING LOT

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

RICHARD CLARK  
DEPUTY CITY  
MANAGER

On the May 17, 1999, City Council agenda is a resolution directing the City Manager to provide written notice to Centertainment Development, Inc. in accordance with the approved urban renewal contract for the Court Avenue Station Entertainment Center project (400 Court Avenue) which affirms the City's decision to proceed with the proposed 600+ space public parking lot located directly south of the entertainment complex. This affirmation is based in part on extensive discussions with the Iowa Department of Transportation (IDOT) regarding the value of excess right-of-way acquired for the Martin Luther King, Jr. (MLK) Parkway project that would be used for the public parking lot (about \$1.55 million), and the availability of budgeted funds to pay these expenses.

**FISCAL IMPACT -**

The cost of acquiring the land necessary for surface public parking lot, including the excess MLK Parkway right-of-way, will be paid from funds already included in the budget for the MLK Parkway project, and from funds included in the budget for the Entertainment Center project. The cost of paving the parking lot and related improvements is also included in the budget for the Entertainment Center project.

**RECOMMENDATION -**

**Adopt the resolution directing the City Manager to provide written notice to Centertainment of the City's commitment to proceed with the public parking lot in conformance with the urban renewal contract.**

**BACKGROUND -**

On April 19, 1999, the City Council approved the urban renewal contract with Centertainment Development, Inc. (Centertainment, 106 West 14th Street, Kansas City, MO, Charles Fancher, President, and Steiner + Associates, 2 Easton Oval, Suite 550, Columbus, OH, Yaromir Steiner, President).

The contract directs the City to provide written notice to Centertainment by May 18, 1999, stating whether the City is proceeding with the necessary property acquisition and construction of a minimum 600 space public parking lot. (The City has the option of requesting an extension up to June 24, 1999, from the developer.) The proposed public parking lot is to be located between 3rd and 5th Streets, south of the active railroad line on Vine Street.

At this time, the necessary financing issues have been resolved (see below) and it is appropriate to issue the notice to Centertainment indicating the City is proceeding with the public parking lot.

#### **Funding Issues**

As stated in the April 19, 1999 Council Communication, the City needed to determine the most cost-effective method to acquire the properties required for the parking lot. A major portion of the parking lot is composed of the excess right-of-way from the Gilcrest-Jewett and Nesbit Distribution properties that required negotiation with IDOT to determine the value of these properties.

The City and IDOT have arrived at an agreement and values for the properties that are beneficial to the City; the City will be able to utilize local funds committed for the MLK project to reimburse the state and federal governments for the City's portion of the fair market value of the excess property to be used for public parking. IDOT is providing written confirmation that the City's purchase of the excess right-of-way will count toward the City's local share match of costs for the MLK project.

Subject to the property acquisition costs related to the Entertainment Center footprint, there may be some funds remaining. Staff will explore acquisition of two additional properties for the parking project: the former National Sheet Metal building at 101 SW 5th Street and a small surface parking lot directly north of the building. A recommendation

and report on availability of funding will be made to the City Council later this summer.

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