



**CITY COUNCIL  
COMMUNICATION:**

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

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

**00-285**

**SYNOPSIS -**

**AGENDA:**

JUNE 26, 2000

**SUBJECT:**

FIRST AMENDMENT  
TO THE METRO  
CENTER URBAN  
RENEWAL PLAN

The First Amendment designates property generally located on the western two thirds of the half block located on the north side of Walnut St. between 8th & 9th Sts., currently occupied by the former MidAmerican Energy Headquarters Building, for acquisition and disposition. This amendment also updates the Financial Condition Report to reflect the financial expenditure to acquire the property as well as the up to \$10 million TIF funding proposed for the Allied Gateway Campus Project detailed at the June 19th meeting in Council Communication 00-271.

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**FISCAL IMPACT -**

This amendment shows the expenditure of up to \$10 million in TIF funding within the Metro Center Urban Renewal Area for the Allied Gateway Campus Project which includes the \$1.25 million purchase price for the Mid-American property. This proposed expenditure is in compliance with the general TIF policy approved by the Council at its December 21, 1998 meeting.

**SUBMITTED BY:**

RICHARD A. CLARK  
DEPUTY CITY  
MANAGER

**RECOMMENDATION -**

**Approval.**

**BACKGROUND -**

Board and Commission Review

The required meeting with the Des Moines School District, Polk County and Des Moines Area Community College was held on June 1, 2000 with no one in attendance. No written or oral comments have been received.

The First Amendment was reviewed and recommended for approval by the Urban Renewal Board at its June 13, 2000 meeting. The amendment was found in conformance with the City's land use plan by the Plan and Zoning Commission at its June 15, 2000 meeting.

#### First Amendment

Surface parking owned by The Graham Group and used by ING/Equitable of Iowa is now being purchased by the City for the Allied Gateway Campus project. Graham is obligated, through a long-term lease agreement, to provide Equitable with parking. Graham is in default if replacement parking, with the capability to build a parking garage, is not provided.

Council approved a negotiated agreement with the Graham Group to purchase the property with Graham at its May 15th meeting (Roll Call No. 00-1482).

Graham will provide Equitable with surface parking located on the former Iowa Power/ MidAmerican property located south of Locust St. between 8th and 9th Streets. This property will satisfy Graham's current lease obligations to Equitable as well as the requirements to provide for the possible future construction of a parking ramp to facilitate Equitable of Iowa growth. The building portion of the property is not needed by Graham.

To undertake the purchase of the Iowa Power/ MidAmerican building and its adjacent eastern parking lot, it is necessary to amend the Metro Center Urban Plan to provide the acquisition and disposition of the property.

With the approval of the amendment, the City will acquire the property within the next 30-60 days. It is anticipated the City will make the building available as a short-term (2-3 yr.) option to businesses being relocated due to the Allied Gateway Campus project area. During that time, the building will be fully evaluated for redevelopment options with the intent to sell the building to private interests for commercial, office or other uses.