

Meeting Agendas/Info

CITY COUNCIL
COMMUNICATION:

ITEM _____

01-201

OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA

AGENDA:

APRIL 23, 2001

SYNOPSIS -

Revised joint City and County process for selection of new neighborhoods for the Neighborhood Revitalization Program and an update on the status of the five neighborhoods that were evaluated in 2000.

SUBJECT:

JOINT SELECTION
PROCESS FOR
DESIGNATED
NEIGHBORHOODS

FISCAL IMPACT -

<u>Project</u>	<u>Cost</u>
Neighborhood Infrastructure Rehabilitation Program	\$770,000
6th and College Redevelopment	\$634,000-\$1.2 Million
6th and University Grocery Store	\$765,000
6th and University House Moving	\$1.6 Million
East Grand Commercial Corridor	Study is needed to determine
21st Street Rehabilitation Project	\$300,000

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

JIM GRANT
COMMUNITY
DEVELOPMENT
DIRECTOR

RECOMMENDATION -

Approval of a joint City and County process for the neighborhood selection and planning process and referral to Polk County for their approval as outlined in Attachment 2.

BACKGROUND -

From the fall of 1999 through the summer of 2000, City staff met with representatives of both the Charter and Designated Neighborhoods (with the exception of the four recently designated neighborhoods) and a subcommittee of the Neighborhood

Revitalization Board (NRB) in accordance with the Neighborhood Selection Policy. Meetings were held to discuss the health of the Charter Neighborhoods, as well as the progress being made on each of the Designated Neighborhood's Neighborhood Action Plan. The Charter Evaluation was approved by the City Council on February 21, 2000, by Roll Call No. 00-507. On July 24, 2000, by Roll Call No. 00-3260, the City Council received and forwarded to the City Manager for coordination with Polk County, an evaluation of the five designated neighborhoods and a recommendation on continuation of designation status.

Since July, City and Polk County staff have developed a process and timeline for the selection of new neighborhoods for the Neighborhood Revitalization Program that is feasible and allows for optimum coordination between the two entities. Additionally, since nine months has elapsed since the previous Council action, staff felt it would be prudent to provide an update on the status of the five designated neighborhoods, as well as an updated timeline for the selection process.

The evaluation process that was completed last summer looked at five of the nine neighborhoods currently participating in the City's Neighborhood Revitalization Program. The NRB voted at their June 21, 2000 meeting to approve a recommendation that would graduate the Capitol Park and Capitol East neighborhoods into Charter designation effective December 31, 2000 and July 1, 2001 respectively. The remaining three neighborhoods (Carpenter/Drake Park, Highland Park, and River Bend) would be re-evaluated in 2001.

Staff recommends that the above dates be changed to reflect today's action and the target dates that have been jointly proposed by the City and County. Therefore, Capitol Park would move to Charter status effective July 1, 2001 and Capitol East would move to Charter status effective January 1, 2002. The remaining three neighborhoods (Carpenter/Drake Park, Highland Park, and River Bend) would be re-evaluated based on the milestones for each neighborhood listed in the June 21, 2000 NRB recommendation (Attachment 1) upon completion of two new neighborhood plans.

The Neighborhood Selection Policy requires the City be involved with nine neighborhoods. The policy also requires that two stable neighborhoods, five transitional neighborhoods, and two distressed neighborhoods be involved with the program. To comply with the policy, staff recommends the selection of one stable neighborhood and one transitional negative/distressed neighborhood.

The 2000 evaluation identified projects within the evaluated neighborhoods that will impact the fiscal expenditures of the City over the next several years. It is assumed that funding for these items will be programmed and decided on a yearly basis. The following is an update on these projects and their funding sources:

Neighborhood Infrastructure Rehabilitation Program - During the 2000 evaluation process it was discovered that certain planned infrastructure improvements within both the Charter and Designated neighborhoods had not been completed. In order to remedy this situation, \$1 million has been allocated to the Neighborhood Infrastructure Rehabilitation Program (NIRP) from the Capital Improvement Program (CIP) budget, in addition to the \$425,000 of Community Development Block Grant (CDBG) funds. This will allow Public Works to address the backlog of sidewalks and other infrastructure maintenance needs in the Charter and Designated neighborhoods. It is estimated that the sidewalk backlog will cost approximately \$770,000. Public Works will attempt to get all of the sidewalks completed during this construction season.

6th and College Redevelopment - The items in the redevelopment of the commercial block located on the northwest portion of the intersection of 6th Avenue and College Avenue include the redevelopment of the City-owned properties facing 6th Avenue. Possible uses of the properties include commercial and multi-family. The estimated project costs were developed by a report from the National Trust for Historic Preservation. These costs are associated with the market gap financing and range from \$634,000 to \$1.2 million for a total project cost of \$998,000 to \$1.8 million.

In June 2000, staff sent out a Request for Proposals (RFP) and received no response. This RFP had strict guidelines as to what could be done with the development site. These guidelines were based on the "preferred" scenario from the study conducted by the National Trust for Historic Preservation. A second RFP was sent out in September 2000. This RFP allowed potential developers more flexibility in what they could propose. Only the Neighborhood Development Corporation (NDC) responded to the second request. The NDC's proposal is a good concept, but is missing vital information necessary for the development of a contract. In the past few months, the NDC has been going through a change in leadership. The NDC is still interested in the project. Once they have reorganized, staff will work with them to complete their proposal and develop a contract. In order to keep the project

moving forward, staff is completing the steps necessary to prepare the site for development.

6th and University Grocery Store - City staff are working with a developer and operator to develop both a 35,000 square foot grocery store and a 15,000 square foot retail outlet. The project costs for the grocery store are estimated at \$7 million.

The Plan and Zoning Commission and City Council approved the rezoning request for the development in March 2001. Currently, staff is developing a preliminary development agreement. This agreement will outline the remaining steps the developers and the City must make in order to sign a final agreement.

6th and University House Moving - The second project taking place at the intersection of 6th and University revolves around the moving and rehabilitation of approximately 12 structures in the area. Six structures will be moved out of the project area of the grocery store and will also be allocated rehabilitation money. Six other structures in the area will remain at their current location but will still receive rehabilitation funds. The project cost is estimated to be approximately \$1.6 million. Funding sources for this project have been identified as CDBG, HOME, Neighborhood Finance Corporation (NFC), and Social Services Block Grant (SSBG).

Currently, staff is overseeing the interior inspection of the houses slated for moving. The inspection team is made up of professional house movers, Community Housing Development Corporation (CHDC) staff, and City staff. The structures will be moved this summer on to new foundations to the north of the grocery store site. Staff is also in the process of developing an RFP for two City-owned double houses near the site.

Highland Park Streetscape Project - The Highland Park Streetscape Project has received \$935,334 in funding from the City's 1999 and 2000 CDBG allocation (\$450,000), Polk County (\$300,000), and the Des Moines Metropolitan Planning Organization (\$185,334) in order to complete the project. The City has entered into an agreement with the landscape architecture firm of Brian Clark and Associates (BCA) to coordinate the project and create the necessary construction documents. This process should be completed by January 15, 2002. It is anticipated that construction of the project should commence in the spring of 2002.

East Grand Commercial Corridor - The East Grand Commercial Corridor, located between East 15th Street and East 18th Street in

the Capitol East Neighborhood, was identified as needing to be studied in the Capitol East Neighborhood Action Plan that was adopted by the City Council in 1991. The first step is the creation of a plan that would include input from the neighborhood and residents and would focus on developing an identity for the East Grand Corridor. Work has only just begun on this project and time is needed before a detailed cost estimate can be created.

Drake Park/Carpenter Projects - The 21st Street Rehabilitation Project is planned to rehabilitate at least ten rental or owner-occupied structures. The Neighborhood Conservation Service is currently processing five rehabilitation loans along 21st Street in the Drake Park/Carpenter Neighborhoods. It is estimated that each rehabilitation project will cost at least \$40,000, with funding coming from Polk County Housing Trust Fund, CDBG, and HOME funds. The NFC has also expanded their \$20,000 downsizing grant program to the Drake Park/Carpenter neighborhood.

The Drake Park/Carpenter Neighborhood Based Service Delivery Team has been concentrating on problem properties along Forest Avenue between Martin Luther King, Jr. Parkway and Drake University. An action has been filed in court for land use violations and storage of junk and debris on the property at 2201 Forest. There will be a public hearing on the May 7th Council agenda for public nuisance on the structure at this location.

Given the importance of the partnership with Polk County in the selection of designated neighborhoods and in the implementation of the activities listed in the Neighborhood Action Plans, both City and County staff have devised a process which will allow for maximum input from both entities throughout the selection and planning process. This process is outlined in Attachment 2.

Attachments
