

Meeting Agendas/Info

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

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

01-263

SYNOPSIS -

AGENDA:

MAY 21, 2001

SUBJECT:

GRANT
APPLICATION FOR
STORM SEWER
IMPROVEMENTS IN
THE PROPOSED DES
MOINES
AGRIBUSINESS
PARK

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

ERIC A. ANDERSON
CITY MANAGER

On the May 21, 2001 Council agenda is an application for \$1 million grant from the U.S. Department of Commerce, Economic Development Administration (EDA) for storm sewer improvements in the proposed Des Moines Agribusiness Park. The project involves installing a storm water pump station and a gatewell adjacent to the Burlington-Northern Railroad right-of-way, new channels south of Vandalia Road from SE 35th to SE 43rd Streets (City limits) to convey storm water to the pump station, and a large detention pond. This first stage will serve the area south of Vandalia Road between the City's Wastewater Treatment Facility and SE 43rd Street. Subsequent stages will involve construction of additional channels. Also, companies that develop in the Park will be required to install on-site detention systems. This approach will reduce the City's infrastructure cost, promote low-impact development, and support a campus-style development concept through the multi-functional use of open space. The City currently owns a total of 235 acres in the Park. A significant barrier to redeveloping this land will be removed and investor confidence will be promoted by installing the necessary infrastructure. Ellen Walkowiak with the City's Office of Economic Development is coordinating the City activities relative to this project.

FISCAL IMPACT -

The total cost of this project is estimated at \$2 million. EDA has provided a pending commitment of \$1 million, which is a maximum of 50 percent of the project cost. The City will contribute \$1 million from future General Obligation Bonds sold in three issues of \$90,000 in June 2001, \$400,000 in June 2002, and \$500,000 in June 2003, as well as \$10,000 from Economic Development funds included in the Fiscal Year 2001-02 budget. All proceeds will be received before project completion and used to match EDA funding.

RECOMMENDATION -

Approval.

BACKGROUND -

In October 2000, the U.S. Environmental Protection Agency designated the City of Des Moines a national Brownfields Showcase Community, which accords the City priority for federal funding. The EDA has provided a pending commitment of \$1 million for storm sewer improvements in the proposed Des Moines Agribusiness Park. A final application for federal assistance must be submitted in order to access these funds.

The Park is well served by water, sanitary sewer, highway, and other infrastructure. However, there is no storm water distribution and collection system. In July 1993, the area was significantly flooded. Without the proposed storm sewer improvements, dense quality development will not occur despite the area's locational advantages.

The City is in the process of creating the final plans for development of the proposed Des Moines Agribusiness Park. Meetings have occurred with the business community. Additional meetings are planned with infrastructure experts and neighborhood representatives. It is anticipated that the final plans will be forwarded to Council for review and adoption in summer/fall 2001. More detailed engineering plans that allow for flexibility will be developed at that time.

Engineering design and right-of-way acquisition activities are proposed to start in fall 2001. Construction would begin in fall 2002 and be completed approximately 18 months later. Individual lot development can proceed prior to installation of the storm sewer system; however, these companies will be required to construct somewhat larger on-site detention systems.

Installation of a storm water distribution and collection system will enable more effective development of the proposed Agribusiness Park. Redevelopment in this area will alleviate poverty; deter deterioration; and offer synergistic industrial development opportunities to local, national, and international businesses. The return on investment is significant. When completed, the Park project alone is expected to add \$250 million to the tax base and create about 7,000 jobs.
