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CITY COUNCIL COMMUNICATION:

02-062

OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA

SYNOPSIS -

AGENDA:The Science Center of Iowa (SCI), located at 4500 Grand Avenue
(Mary Sellers, Director), is prepared to submit its formal proposal at
the Council's January 28th meeting for the purchase of City-owned
property located at 400 Martin Luther King, Jr. Parkway (MLK) for
the development of the new Science Center of Iowa. (The City-owned
site is Disposition Parcel No. 01-02/Metro Center Urban Renewal
Area.)

PROPOSAL BY SCIENCE CENTER OF IOWA TO PURCHASE DISPOSITION PARCEL # 01-02 (400 MARTIN LUTHER KING, JR. PARKWAY)

On the January 28th agenda is a roll call to receive the SCI proposal; authorize a newspaper notice indicating the City's intent to approve this proposal if no other competitive proposal is received at a public hearing to be held on March 18th; set a competitive period that exceeds 30 days for any other entity to make a competitive proposal for the purchase of this property; and after the March 18th public hearing, if no other proposal is received, enter into the urban renewal contract with SCI.

Also on the January 28th agenda is a related roll call to direct the

VISION Iowa projects that receive City assistance.

Legal Department to prepare an ordinance amendment to permit the Council to waive building permit fees for certain urban renewal and

TYPE:

RESOLUTION ORDINANCE

RECEIVE/FILE

FISCAL IMPACT -

SUBMITTED BY:

RICHARD CLARK DEPUTY CITY MANAGER 1. <u>Science Center</u>: SCI will spend over \$40 million for the construction of the new SCI on the approximate 3.7 acre property. In addition, SCI is obtaining about \$20 million in additional funding to provide for long-term program and building needs. At this time, about \$40 million has been committed for this project.

2. <u>City</u>: There are several major financial consideration related to the SCI proposal:

A. Utility relocations prior to conveyance

B. Relocation of Market Street

C. Provision of off-site public parking

D. Permit Fees: SCI has requested the City waive the permit fees as part of the VISION Iowa process to obtain funding from the State of Iowa. This will require an ordinance amendment.

Utility Relocations Prior to Conveyance

 \cdot The City will convey the site to SCI in "as-is" condition subject to removal/relocation of several utilities described below.

• The contract provides for the City, SCI, and other entities to work with the appropriate utility, using best-faith efforts, to identify funding and work for the scheduling for the undergrounding of the high-power 'blue line' poles currently located on the north side of MLK from SW 5th to the Des Moines River. If a mutual agreement cannot be reached on the undergrounding by the time SCI presents its final design plans to the City, SCI may withdraw from the contract.

In a report requested by the City, Mid-American Energy has estimated the costs for the undergrounding to be about \$500-\$600,000 per block or a total of about \$2.7 million. It is our intention to seek funding from non-City sources to help pay for this cost.

• Relocate the SW 4th Street combined sewer to a location in SW 3rd Street. This sewer serves several buildings to the north. Engineering has estimated this sewer relocation to be about \$90,000.

 \cdot The City will work with SCI to negotiate utility easements for the following items that will not impact the location of the SCI building:

a. The 12 inch storm sewer connecting into a drain on current Market Street leading to SW 3rd Street should be retained, if possible; it provides drainage for City-owned lot on the north side of Market Street

b. The 12 inch water main from SW 3rd to SW 4th located on the current Market Street alignment.

<u>Relocation of Market Street</u>

As part of the SCI site, Market Street between SW 3rd and SW 4th Streets will have to be relocated somewhat north of its current location; the relocated Market Street will now 'match up' with the SW 4th - SW 5th Streets portion of Market Street.

Provision of Off-Site Public Parking

The contract requires the City to work with SCI to determine what public parking will be available for SCI patrons in the vicinity of SCI property.

Permit Fees

The estimated fees for building and related permits for this project are in the \$65-\$75,000 range. There may be additional charges for building plan reviews due to the specialized nature of museum and movie theater functions.

RECOMMENDATION -

A. Approval of acceptance of SCI proposal.

B. Direct Legal Department to prepare an ordinance amendment to permit the Council to waive building permit fees for certain urban renewal and VISION Iowa projects that receive City assistance.

BACKGROUND -

The City Council previously directed several entities awarded VISION Iowa funds - the SCI, the Higher Education Center, and the World Food Prize Foundation - to work with staff in devising developerinitiated proposals to purchase City-owned land identified in the Fifth Amendment to the Metro Center Urban Renewal Plan.

SCI made its site decision after an 18-month+ in-depth evaluation of programs and services it wanted in its new building in order to determine the requirements for its new location. One of SCI's major goals is to serve more people than currently use the Science Center; a highly visible and accessible site was required. SCI selected the 3.9 acre site located between SW 3rd and SW 5th Streets, immediately north of MLK, for its new campus.

General Timing for The SCI Proposal

After Council receipt of this proposal, a period will be opened for any other proposal to compete against the Science Center proposal. Any competing proposal must be received by the City on or by March 8th and will be reviewed by the Urban Renewal Board at a special meeting on March 11th.

A competing proposal must meet the development minimums and then

exceed the SCI proposal, using the criteria set out in the Council resolution for the bid period. These criteria are summarized in the "SCI Proposal" section below.

If no other proposal is received, the Council, at its March 18th meeting, will open the public hearing on signing the urban renewal contract with SCI. If no competing proposals are received, the Council, at its March 18th meeting, will vote on entering into the urban renewal contract with SCI after holding a public hearing on the contract.

After execution of the contract, SCI has about 13 months to provide completed design plans and financing to the City for its approval. SCI estimates it will take about 24 months for construction and the new exhibits to be completed.

SCI Proposal

Minimum development requirements and competitive criteria, using the SCI proposal, were developed for any proposal to meet and exceed in order to be considered as a competing proposal.

The Science Center proposal, briefly:

<u>Design</u>

 \cdot <u>Building and Uses</u>. Enclosed museum building(s) with at least 90,000 gross square feet that accommodate a science center museum and related accessory uses including a wide-screen domed theater with at least 200 seats, café, and gift shop.

 \cdot <u>Vehicular Access</u>. There shall be no direct vehicle or pedestrian access to the property from MLK. The improvements shall include a car and bus drop-off area within the property to a major public entrance that includes a structure to accommodate waiting passengers.

• Entrance, Pedestrian Access, Loading. A large public entrance to the museum shall be located on the north building façade in the vicinity of the intersection of Fourth and Market Streets. This entrance shall have a strong visual presence and provide weather protection to pedestrians by incorporating a canopy, awning, arcade, or other architectural form. A 20-foot wide paved sidewalk shall be installed to connect pedestrian traffic to the museum building, Market Street, and adjoining commercial developments.

In addition, the improvements on the property shall include wide sidewalks with signage and human-scale lighting that accommodates easy and convenient pedestrian-oriented linkages to and from the Court Avenue business district, the riverfront, and Sec Taylor Stadium. Truck maneuvering and all loading/unloading functions must occur on the property. All truck maneuvering, loading, and parking areas shall be separate from the pedestrian access improvements.

• <u>Building Materials</u>. The museum building(s) shall be inviting and attractive from all directions and be constructed of durable and good quality materials. The style, color, and type of exterior materials shall complement existing structures in the area. Exterior materials may include stone, brick or other types of masonry units, concrete, glass, tile, or a combination of these materials. Metal may also be used if it is durable and good quality. Exterior insulation systems are not permitted. The north façade of the museum building shall provide a highly attractive presence that shall be expressed through use of transparent glass and other high quality materials to provide a people-attracting appearance to this immediate area.

 \cdot Equipment and Trash Enclosures. All service equipment and trash containers must be located within the museum building(s).

 \cdot <u>Outdoor Improvements and Landscaping</u>. The improvements shall include outdoor science related program space and exhibits and other amenities such as a plaza, playground, benches, tables, gardens, or sculptures. Open space and border areas (defined as area between curbs and property line) shall be landscaped with trees, shrubs, and vegetative ground cover appropriate in scale and massing to the museum building(s). All deciduous trees shall be a minimum of $2\frac{1}{2}$ inches in caliper, measured 6 inches from the ground when planted. Coniferous trees shall be a minimum of 6 feet tall when planted, be balled and burlapped stock.

• <u>Signage</u>. All signage shall comply with the "C-3R" Central Business District Mixed Residential District Regulations of the Zoning Ordinance and be appropriate and compatible with the architecture of the museum building(s) and the surrounding area. The developer shall prepare a comprehensive graphics package for exterior signs and images as part of the Conceptual Development Plan.

 \cdot <u>Lighting</u>. All exterior lighting must be designed in a manner that does not intrude upon existing and planned residential uses in the area. Developer shall prepare a comprehensive lighting plan that indicates lighting design layout and levels of illumination as part of the submitted Conceptual Development Plan.

<u>Other</u>

· Conveyance of the property will occur after the Council approves the

financing and final design plans. (This will occur in 2003.)

 \cdot Estimated cost of the development is about \$40 million that has been committed to the project. An additional \$20 million is being raised to provide for long-term program and building needs.

 \cdot The property must be used <u>and maintained</u> as a Science Center; transfer or sale of the property must be approved by the Council.

 \cdot A good faith deposit of \$50,000 is being made.