

**CITY COUNCIL
COMMUNICATION:**

02-613

AGENDA:

DECEMBER 2, 2002

SUBJECT:

PAPPAJOHN
HIGHER
EDUCATION
CENTER (1200
GRAND AVENUE)

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

RICHARD CLARK
DEPUTY CITY
MANAGER

ITEM _____

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

SYNOPSIS —

On the December 2, 2002 agenda are two items relating to the proposed John and Mary Pappajohn Higher Education Center, located at 1200 Grand Avenue (Disposition Parcel Nos. 01-4A and 01-4B in Metro Center Urban Renewal Area):

1. Approval of design plans.
2. Open/close hearing and execute urban renewal contract.

The John and Mary Pappajohn Higher Education Center Foundation has presented an urban renewal development proposal to purchase City-owned property—Disposition Parcel 01-04A and 01-4B/Metro Center Urban Renewal Area—located at 1200 Grand Avenue, for the construction of the John and Mary Pappajohn Higher Education Center. The foundation is a charitable, non-profit corporation with John Pappajohn (c/o Equity Dynamic, 666 Walnut Street/Suite 2116, Des Moines) as its President.

The development intends to begin construction next spring with the first phase: a 42,000-sq. ft. structure located on the eastern 2/3rds of the site on Grand Avenue from 12th Street. A second phase may occur as an addition to the Phase I structure up to ten years from the date of conveyance of the first phase property.

The Pappajohn Foundation will lease the space to the Higher Education Center Collaborative that will be responsible for operating the programs in the building. The Collaborative is composed of the presidents of Iowa State University, University of Iowa, Drake University, Des Moines Area Community College (DMACC), Simpson College, Grandview College, and University of Northern Iowa.

The Council approved, at its October 21, 2002 meeting, a roll call to receive the Higher Education Center proposal; authorize a newspaper notice indicating the City's intent to approve this proposal if no other competitive proposal is received; set a competitive period of 30 days for any other entity to make a competitive proposal for the purchase of this property; and after the December 2, 2002 public hearing, if no other proposal is received, enter into the urban renewal contract with the John and Mary Pappajohn Higher Education Center Foundation.

FISCAL IMPACT —

City: The City will convey the property in "as-is" condition. If the property no longer operates as a 'higher education learning center', it will revert back to the

City.

The City will not be responsible for operations or maintenance of the building. However, installation and maintenance of the surrounding Gateway Park improvements will be done by the City.

An initial plan identifying “tiers” of improvements for the Gateway Park has been prepared by William Anderson of WA Architecture. Work is underway with the business community to identify funding sources and a budget for the Gateway Park.

RECOMMENDATION —

Approval of proposal contingent on no other proposal received on or by November 25, 2002.

BACKGROUND —

VISION IOWA

This project is one of the five Capitol City projects awarded funding as part of the State of Iowa VISION IOWA program in summer 2001. The Council previously directed the entities awarded VISION IOWA funds—the Science Center of Iowa, the Higher Education Center, and the World Food Prize Foundation—to work with staff in devising developer-initiated proposals to purchase City-owned land identified in the Fifth Amendment to the Metro Center Urban Renewal Plan.

The Des Moines Higher Education Center currently operates in space leased at 400 Locust Street. Its members, the Des Moines Higher Education Collaborative, provide undergraduate, graduate, and professional development courses in a downtown location.

Design

Because this site is located in public Gateway Park, it is important that the building design relate to the park. The proposed requirements, outlined in the Council Communication No. 02-554 (October 21, 2002), detailed the specific development requirements for the project that the developer must meet, relate extensively to the building’s materials and ‘transparency’.

The Architectural Advisory Committee and Urban Development Board, at their joint meeting on November 12, 2002, recommended approval of the design plans submitted for the project by Herbert Lewis Kruse Blunck, project architects.

The Board and Committee noted design of several items, such as the service entrance area on Grand Avenue, were still in process and requested an informal review of these items when design work is completed.

The Gateway Steering Committee recommended approval of the placement of the Pappajohn Higher Education building within the Gateway Park at its

**CITY COUNCIL
COMMUNICATION**
02-613
DECEMBER 2, 2002
PAGE THREE

October 30, 2002 meeting.

Competitive Period

The Council received the developer-initiated proposal at its October 21, 2002 meeting and indicated its intent to execute the urban renewal contract with the developer, John and Mary Pappajohn Higher Education Center Foundation, if no competing proposals were received in the subsequent competitive offering period which ended November 25, 2002. No other proposals were received.

