

**CITY COUNCIL
COMMUNICATION:**

03-506

AGENDA:

OCTOBER 17, 2003

SUBJECT:

COURT AVENUE
HOUSING/COMMERCIAL
REDEVELOPMENT
PROPOSAL AND
OFFERING PROCESS

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 October 17, 2003 Council agenda is a roll call to:

- Receive and file the development request received from Court Avenue Partners (a joint venture of BH Equities—Harry Bookey, President and Hubbell Realty—James Hubbell III, President).
- Initiate the offering period and detail the terms and conditions, including minimum and competitive development requirements, for redevelopment proposals for the redevelopment of City-owned property located on Court Avenue between 3rd and 5th Streets.
- Set the dates for receipt of proposals (November 18) and selection of a developer by the Council (November 21 special meeting).

This roll call establishes the requirements that proposals have to meet or exceed to be considered by the City. The Council will make its decision on proceeding with a development proposal at the end of the Code of Iowa-required 30-day notice period at its special meeting on November 21, 2003.

This expedited schedule is necessary in order to allow a developer to submit an application to the Iowa Finance Authority for the Low-Income Housing Tax Credit (LIHTC) Program on or by November 24, 2003. A complete application must include evidence of land control.

FISCAL IMPACT —

The full fiscal impact will not be known until the development contracts have been negotiated.

RECOMMENDATION —

- Direct staff to work with Court Avenue Partners (and other interested developers) to negotiate the urban renewal contract and prepare a completed developer urban renewal proposal that incorporates the negotiated contract and other terms and conditions as directed by the Council.
- Initiate the offering period by authorizing newspaper publication of the City's notice and approve the submission packet, including minimum and competitive requirements.

The Urban Design Review Board will receive completed proposals at

a special meeting on November 18, 2003, and forward its comments and recommendations to the Council.

BACKGROUND —

On August 11, 2003, the Council directed the City Manager to initiate negotiations with Court Avenue Partners. Staff has been working on a development agreement with the Court Avenue Partners as directed by Council on August 11, 2003. The overall project proposal includes development of City-owned property which is the subject of the competitive offering. In addition, the City is working with Court Avenue Partners on a development proposal for non-City parcels (Nacho Mamas building, Spaghetti Works building, Generations building) that are not part of the competitive offering, but may be brought forward together with the development agreement on City-owned property.

Schedule

The process proposed in the roll call provides for the following schedule:

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| Oct. 18 | Newspaper publication of notice of the offering. |
| Oct. 18-Nov. 10 | Question/answer period. |
| Oct. 24 | Form of contract available. Staff is available to meet with any developer formulating a proposal for submission to the City to generate a "tailored" contract for the developer's specific proposal that must meet the minimums approved by the Council. |
| Nov. 18 at 1 p.m. | Completed and executed proposal must be submitted to the Office of Economic Development (OED). OED staff opens proposals and prepares report to the Urban Design Review Board. |
| Nov. 20 | Special meeting of Urban Design Review Board to review proposals and make comments/recommendations to the Council. |
| Nov. 21 | Special Council meeting. Council will, if appropriate, select developer and approve contract for sale/lease of land. |
| Nov. 24 | LIHTC application submission due at State of Iowa. |

This process allows the City to complete negotiations with the Court Avenue Partners, and other interested developers, and draft the required

	urban renewal contract while allowing for competing proposals to be received by the City and meeting the Code of Iowa notice period requirements.
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