



Agenda Item:

5C

COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 03/07/05
105

Communication No.: 05-

Agenda Item Type: Resolution
No.:

Roll Call

Submitted by: Richard Clark, Deputy City Manager

SUBJECT—

Approval of bid documents for Western Gateway Park improvements. Receive and file communications from Downtown Community Alliance regarding financing commitment and operations and maintenance.

SYNOPSIS—

On the March 7, 2005 Council agenda is a roll call to approve the bid documents for the Western Gateway Park improvements. The project will bid March 29th and Council will select a bidder at their April 11, 2005 meeting.

FISCAL IMPACT—

The design team has estimated a construction cost of \$5,734,440 for the base improvements. This includes \$5,237,470 in actual construction costs and an 8.67% contingency. Several add alternates will be included in the bid documents.

RECOMMENDATION—

Approval

BACKGROUND—

The Western Gateway Park is a five block long development that will be both the heart of a new mixed use district and gateway to downtown Des Moines. The park will host a new downtown library, higher education center, and include the renovated Temple of the Performing Arts and the Arlington Hallett Apartments. The park is intended as a catalyst for surrounding real estate development and an attraction for people choosing to live and work in the downtown area.

Park Features:

- Wide central promontory walk with water runnel and pedestrian lights
- Streetscape roadway lights
- A large variety of deciduous and coniferous trees and ornamental plantings
- Trash receptacles, urns, benches, and bike racks
- Sub drainage system
- Irrigation system
- Special mix top soil
- Screen wall north of the Temple for the Performing Arts
- Picnic area along Grand Avenue
- Large promontory mound at 15th Street
- Large activity meadows at the east and west ends of the park which will accommodate a large variety of activities

<u>Project Budget:</u>	\$12,000,000
Additional Revenue	
City Engineering Department (Widen 13th Street)	\$
120,000	
City Traffic Department (Upgrade Traffic Signal Network) 2005	\$
25,000	
City Traffic Department (Upgrade Traffic Signal Network) 2006	\$
25,000	
Downtown Rotary (purchase all park trees)	\$
40,000	
	Subtotal
	\$ 210,000
Total Project Budget	\$12,210,000
Project Costs	
Acquisition and demolition	\$
5,200,000	
City Administration Expenses	\$
250,000	
Design and Engineering Fees	\$ 670,710
12th and Grand Improvements (HEC Streetscape) completed in 2004	\$
234,850	

Widen 13th Street		\$ 120,000
	Subtotal	\$ 6,475,560
Available Budget for Construction		\$
5,734,440		
Estimate of Probable Construction Costs (including 13th Street)		\$
5,237,470		
Construction Contingency (8.67%)		\$
496,970		
Add alternates:		
1. Add 15 Park benches and 10 picnic tables		\$ 100,000
2. Add fence around the Arlington Hallett Apartments		\$
26,100		
3. Add repaint existing traffic signal poles		\$
30,500		
4. Add up lights in runnel and Poetry Garden		\$
60,000		
	Total Add Alternates	\$ 216,600

Schedule:

HEC Streetscape	--completed 2004
10th to 13th Streets	--construction to start in April 2005, complete December 2005
13th to 15th Streets	--completed December 2006

Operation and Maintenance: The City Manager has negotiated a plan for the ongoing operation and maintenance of the Western Gateway Park as well as the Principal River Walk. The estimated annual O & M for these two areas is \$1,100,000. The City of Des Moines and Principal will each contribute \$250,000 annually to the O & M of these facilities and the downtown SSMID district will be support the remainder (approximately \$600,000) of the O & M expenses. A letter from the Downtown Community Alliance (DCA) will be on file with in the City Clerk's office on Monday, March 7, 2005.

Downtown Community Alliance Funding Backstop: Per a letter dated February 22, 2005, the Downtown Community Alliance stands committed to providing additional grants and/or

donations of \$5,000,000 as the City enters into the development phase of this project. This letter is on file with the City Clerk.

Additional Background Information:

Total Anticipated City Expenditures = \$30.5 Million

Economic Impact: The western Gateway has the potential to achieve approximately 3,600,000 square feet of taxable new development over a 20-year period, resulting in a projected assessed value of approximately \$324,000,000. This level of new development is projected to provide more than \$82,000,000 of new consolidated property tax revenue over the 20-year period.

Development to Date:

Allied: Building = \$50,000,000 (03/04 net tax = \$2,315,068)
Garage = \$24,550,000 (03/04 net tax = \$379,908 w/ 10-yr declining abatement)

ING: Building = \$19,006,000 (03/04 net tax = \$880,004)

Meredith: Building = \$25,018,000 (03/04 net tax = \$1,196,092)

Property Acquisition Update:

Properties Acquired to Date:

1324 Grand, Richard G. Hansen
1330 Grand, John Croat/JC Investor
1309 Locust, Harry Aller
1429 Locust, James Davis
1437, 1443 Locust, Mitchell Intersts

Properties in Closing:

1312-1316 Grand, Eugene Carter
1318 Grand, E. Hobart De Patten
1412 Grand, NIC
1315 Locust, William Rice
1325 Locust, Steve Garland

Properties Pending Condemnation

1300 Grand, Scott Berry
1320 Grand, Floyd King
1406 Grand, Floyd King
1414 Grand, Alan Stern