

 <p style="text-align: center;"><b>Council</b> <b>Communication</b> Office of the City Manager</p>	<b>Date</b>	February 23, 2009
	<b>Agenda Item No.</b> <b>31</b> <b>Roll Call No.</b> <b><u>09-</u></b> <b>Communication No.</b> <b><u>09-081</u></b> <b>Submitted by: Matthew A. Anderson, Economic Development Administrator</b>	

**AGENDA HEADING:**

Resolution accepting developer-initiated redevelopment proposal from Doll Distributing, LLC (Mark Doll, CEO, 815 South Branch, Waukee, Iowa 50263) to redevelop disposition parcel No. 28A (South of Thompson Avenue to E. Jefferson Avenue on De Wolf Street) in the Guthrie Avenue Business Park Urban Renewal Area.

**SYNOPSIS:**

Doll Distributing has submitted a developer-initiated proposal to redevelop a portion of City-owned disposition parcel No. 28A in the Guthrie Avenue Business Park. This parcel is located south of Thompson Avenue to E. Jefferson Avenue on De Wolf Street. The developer is proposing to expand their existing distribution center at 1901 De Wolf Street by 18,000 square feet, with additional space for truck circulation to enhance their freight based operation at an estimated development cost of \$1.8 million. The Council is requested to:

- A. Approve the minimum development requirements and competitive criteria for disposition parcel No. 28A, and
- B. Accept Doll Development’s preliminary redevelopment proposal for disposition parcel No. 28A, and
- C. Authorize advertisement for competing redevelopment proposals and authorize notice of intent to enter into an urban renewal development agreement with Doll Distributing if no competing proposals are received.

**FISCAL IMPACT:**

Amount: \$74,250 (revenue)

Funding Sources: Land sales proceeds from Doll Distributing to be re-deposited in the Guthrie Avenue Urban Renewal Area.

**ADDITIONAL INFORMATION:**

In 1988, the City Council adopted the Guthrie Avenue Business Park Urban Renewal Plan in order to accommodate the growth and development of office/warehouse/distribution and light manufacturing facilities in Des Moines so as to diversify the local economy. The first business was constructed in

October 1994. Since that time, developers and user-owner businesses have invested nearly \$30 million to construct 814,400 square feet in 16 new buildings. Approximately 700 jobs have been created.

The business composition of the Guthrie Avenue Business Park includes but is not limited to electrical products, coin-operated vending equipment, automotive parts and other distribution as well as book binding, preservation of aged books/manuscripts and construction contracting.

Doll Distributing (formerly Nesbit) has been located at 1901 De Wolf in the Guthrie Avenue Business Park since 1999. The selection of their current site was motivated in large part by the direct access to rail. Rail is no longer a means of transporting their products, so the company was left with a critical decision to make regarding their future. The ability to add to their current 135,000 square foot facility and enhance their freight operations has solidified their decision to remain in Guthrie Avenue Business Park and within the City of Des Moines.

The total estimated cost of building construction and site preparation is \$1.8 million. The land will be sold for an estimated \$74,250. Construction is proposed to begin by April 30, 2009 and will be completed by December 30, 2009.

Doll Distributing will submit a cashier's check in the amount of \$18,563 as the good faith deposit for disposition parcel No. 28A, which represents 25% of the land purchase price. A letter of preliminary interest in financing the project from First National Bank of Omaha dated August 19, 2008 has been provided.

Doll Distributing's redevelopment proposal meets the proposed minimum development requirements, which are in accordance with the Guthrie Avenue Business Park Urban Renewal Plan and the current zoning ordinance.

**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S):**

Date: December 2, 2008

Roll Call Number: N/A

Action: Urban Design Review Board approved preliminary design for Doll Distributing redevelopment.

**BOARD/COMMISSION ACTION(S):**

Date: December 16, 2008

Roll Call Number: N/A

Action: Urban Design Review Board approved minimum development requirements and competitive criteria for disposition of property in Guthrie Avenue Business Park.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

The City Council is projected to enter into an urban renewal development agreement with Doll Distributing for disposition parcel No. 28A if there are no better competing proposals.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).