

 <div style="text-align: center;"> <h1 style="margin: 0;">Council Communication</h1> <p style="margin: 0;">Office of the City Manager</p> </div>	<b>Date</b>	February 23, 2009
	<b>Agenda Item No.        59</b> <b>Roll Call No.            09-</b> <b>Communication No.    09-082</b> <b>Submitted by: Matthew A. Anderson</b> <b>Economic Development Administrator</b>	

## **AGENDA HEADING:**

Hold hearing for vacation and sale of public rights-of-way needed for Wellmark's new home office facility and clarify certain Urban Renewal Development Agreement terms regarding LEED requirements and Multi-Use Building components.

## **SYNOPSIS:**

The exact location and dimensions of the required subsurface footing and foundation easement areas for Wellmark's Western Gateway campus have been finalized. This action provides these necessary easements as well as an easement for an underground duct back across 12<sup>th</sup> Street between their Office Building and Garage/Multi-Use Building.

The requested action also clarifies two items in the Urban Renewal Development Agreement. Wellmark will receive economic development assistance related to the project's Leadership in Energy and Environmental Design (LEED) certification level. The intent of the agreement was that the LEED requirements would only apply to the Office Building and not the Garage/Multi-Use Building, but the language in the Agreement is unclear in this regard. Wellmark's Office Building will be certified LEED Gold.

Due to design constraints, Wellmark's daycare facility will not be located in the Multi-Use Building as originally contemplated. Removal of this component will not reduce the size and minimum assessment of this building below the Agreement minimums. Wellmark is pursuing options to locate a daycare on another nearby site, but has not yet finalized that decision.

## **FISCAL IMPACT:**

Amount: \$1,586,000 is the total sales price of all ROW conveyed to Wellmark. This action finalizes a small portion of the land approved for transfer by the April 21, 2008 Development Agreement.

Funding Source: Land sales proceeds from Wellmark are to be deposited into the Wellmark urban renewal project account AG183, FIN861300, TIF017.

## **ADDITIONAL INFORMATION:**

Wellmark's construction is proceeding on time and the campus is scheduled for completion in late 2010. The City's first phase of the High Street realignment project is completed and upcoming work will be staged to correspond with Wellmark's schedule. City staff will work closely with Wellmark as they

investigate options for locating their daycare. The goal is to accommodate Wellmark's needs while also preserving opportunities for future high-density development.

**PREVIOUS COUNCIL ACTION(S):**

Date: February 9, 2009

Roll Call Number: 09-183

Action: Schedule hearing on vacation and conveyance of various portions of right-of-way for the redevelopment of three blocks adjoining the north side of Grand Avenue between 11<sup>th</sup> and 14<sup>th</sup> Streets for Wellmark's new home office facility, (2-23-09). Moved by Vlassis to adopt. Motion Carried 7-0.

Date: April 21, 2008

Roll Call Number: 08-715, 08-716, 08-717

Action: Items regarding Wellmark Urban Renewal Development Agreement: (Council Communication No. 08-217)

(A) Hearing on proposed Urban Renewal Development Agreement with Wellmark, Inc., and vacation and conveyance of property in the three-block area bounded by High Street, Grand Avenue, 11<sup>th</sup> Street and 14<sup>th</sup> Street, \$1,586,000. Moved by Hensley to adopt. Motion Carried 7-0.

(B) First consideration of ordinance above. Moved by Hensley that this ordinance be considered and given first vote for passage. Motion Carried 7-0

(C) Final consideration of ordinance above, (waiver requested by City Manager), requires 6 votes. Moved by Hensley that the rule requiring that an ordinance must be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage and that the ordinance do now pass, #14,756. Motion Carried 7-0.

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

Date: March 11, 2008

Roll Call Number: N/A

Action: By 6-0 Vote, the Urban Design Review Board approved Wellmark's conceptual development plan as presented.

Date: March 11, 2008

Roll Call Number: N/A

Action: By 6-0 vote, the Urban Design Review Board approved the Wellmark financial incentive package as presented.

Date: November 19, 2007

Roll Call Number: N/A

Action: By 12-0 vote, the City Plan and Zoning Commission recommended approval for vacation and conveyance of 13<sup>th</sup> Street from High Street to Grand Avenue, excess High Street right-of-way from 11<sup>th</sup> Street to 12<sup>th</sup> Street, all intervening alleys between High Street, Grand Avenue, 11<sup>th</sup> Street and 14<sup>th</sup> Street, and the air rights for a pedestrian bridge over 12<sup>th</sup> Street.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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