

AGENDA HEADING:

Resolution giving final approval to 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:

By Roll Call No. 09-291, dated February 23, 2009, City Council accepted a developer-initiated redevelopment proposal from Doll Distributing to redevelop City-owned Disposition Parcel No. 28A in the Guthrie Avenue Business Park. 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. City Council's acceptance was subject to the acceptance and review of competing proposals to be received by the City's Office of Economic Development by no later than 5 p.m. on April 6, 2009. No competing proposals were received.

The Council is requested to approve the Urban Renewal Development Agreement between the City of Des Moines and Doll Distributing, LLC and approve the conveyance of Disposition Parcel No. 28A in the Guthrie Avenue Business Park Urban Renewal Area.

FISCAL IMPACT:

Amount: \$74,250 (revenue)

<u>Funding Sources</u>: 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.

PREVIOUS COUNCIL ACTION(S):

Date : February 23, 2009

Roll Call Number: 09-291

<u>Action: Accepting</u> Developer-initiated Redevelopment Proposal from Doll Distributing, LLC to redevelop Disposition Parcel No. 28A (South of Thompson Avenue to E. Jefferson Avenue on DeWolf Street) in the Guthrie Avenue Business Park Urban Renewal Area. (Council Communication No. 09-081) Moved by Hensley to adopt. Motion carried 7-0.

BOARD/COMMISSION ACTION(S):

Urban Design Review Board

Date: December 2, 2008

Roll Call Number: N/A

<u>Action</u>: Urban Design Review Board approved preliminary design for Doll Distributing redevelopment.

Date: December 16, 2008

Roll Call Number: N/A

<u>Action</u>: 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: NONE

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