

Council Communication

Office of the City Manager

Date September 28, 2009

Agenda Item No. 54
Roll Call No. 09Communication No. 09-681
Submitted by: Matt Anderson,

Economic Development Administrator

AGENDA HEADING:

Resolution to open and close public hearing on the City's intent to approve urban renewal agreement with the World Food Prize Foundation (WFPF), Kenneth Quinn, President, Suite 1700, 666 Grand Ave., Des Moines, IA 50309, for the long-term lease of Disposition Parcel No. 01-01/Metro Center Urban Renewal Area (100 Locust Street).

SYNOPSIS:

This City-owned property at 100 Locust Street served as the central library from 1903 until its closure in 2006. The Council had previously indicated its interest in working with the non-profit WFPF once the library moved to its new building.

The WFPF has made a developer-initiated proposal for the long-term lease of the property. WFPF proposes extensive exterior and interior rehabilitation of the building for use as Dr. Norman E. Borlaug Hall of Laureates for meetings, educational functions and similar activities, and the conversion of the adjacent surface parking lot to public gardens.

The Council had previously set September 25, 2009 as the date for receipt of competing proposals and no other proposals have been received.

Recommend approval of the following roll calls relating to the WFFP development proposal:

- Urban Renewal Agreement for lease of property for private development to the World Food Prize Foundation to develop the old library property
- Issuance of a landmark certificate of appropriateness for proposed alterations to the old library building.
- Evidence of financing and conceptual development plan for the restoration and renovation of old library building under the lease agreement.

FISCAL IMPACT:

Responsibility for building maintenance, utilities, and insurance will be transferred to WFPF.

Amount: Approximately \$50,000 annual reduction in expenditures

<u>Funding Sources</u>: General Fund, Park and Recreation, Municipal Buildings, PKS160500, FY 2009-10 Operating Budget, page 216.

ADDITIONAL INFORMATION:

Because this building is listed on the National Register of Historic Places and has received federal funding through the Save America's Treasures program, the construction and rehabilitation work on the building must be approved by the U. S. Department of the Interior with the State of Iowa's State Historic Preservation Office's (SHPO) concurrence. The developer has worked closely with SHPO and has received general concurrence on the proposed interior and exterior work.

The work is divided into several phases with completion to occur by 2012. The initial items being undertaken are to secure the building's exterior shell with roof and exterior wall repair.

A large landscaped area will be created for a public garden.

Former central library building

The WFPF will rebuild the east exterior stairs that existed on the original building. The stairway leads out to a plaza that is part of the Principal Riverwalk.

Because construction on both projects may be occurring simultaneously, coordination will be required between the various contractors.

Estimated costs for the first and second phases of work are about \$24 million and have been provided by the lead project architect (Scott Allen, AIA, RDG Planning and Design of Des Moines) are:

Phase	Major Work to be Done	Total Estimated Costs (hard and soft costs)
I	New roof and skylights, masonry repointing, eastern stairway, and new window sashes	\$4.5 million
II	New mechanical, electrical, sprinkler and plumbing systems, new elevator, restoration of murals and interior finishes, landscaping and gardens	\$19.5 million
Future	Additional refinements to interior space and exterior landscaping as funding permits. These items will be subject to City review and approval.	\$ 5.9 million

The WFPF has provided, as substantiation of its ability to undertake this project, the following confirmations of funding totaling about \$24 million from the following sources:

Polk County: \$5 million

Save America's Treasures (U. S. Dept. of the Interior): \$298,000 U. S. Institute of Museum and Library Services: \$2,979,600

Individual Contributions: \$5,570,100 Corporate and Foundation: \$8,287,000

Vision Iowa: \$2 million*

*The Vision Iowa program awarded up to \$2 million in June 2009; the actual award is based on a dollar-for-dollar match of private funds to be raised by the WFPF; as of late July, WFPF has raised almost \$1.7 million of the required match and anticipates receiving the entire \$2 million by the December 2009 deadline.

The City is leasing the property for \$1 in consideration of the lease contractual requirements. These requirements are specifically detailed in the lease agreement; major requirements the WFPF must meet include:

- the interior and exterior restoration of the building must be in conformance with federal and state historical standards,
- complete responsibility for building maintenance and repair as well as maintaining sufficient insurance coverage;
- removal of the existing surface parking and replacement with landscaping, and
- an agreement detailing public access to the educational facility and museum, public meeting spaces and other areas of public use, the hours for public use, and the administration and regulations respecting public use.

PREVIOUS COUNCIL ACTION(S):

Date: August 10, 2009

Roll Call Number: 09-1443

<u>Action</u>: <u>On</u> competitive bid process and intent to accept developer-initiated development proposal from World Food Prize Foundation to develop Disposition Parcel No. 01-1 in the Metro Center Urban Renewal Project and approving minimum requirements and competitive criteria for development, (9-28-09). (<u>Council Communication No. 09-561</u>) Moved by Hensley to adopt. Motion Carried 7-0.

Date: July 27, 2009

Roll Call Number: 09-1340

<u>Action</u>: <u>Authorizing</u> consent to conservation easement agreement for preservation of the old central library building between World Food Prize Foundation and Historical Division of the Iowa Department of Cultural Affairs. (<u>Council Communication No. 09-510</u>) Moved by Hensley to adopt. Motion Carried 7-0.

<u>Date</u>: June 23, 2003

Roll Call Number: 03-1531

<u>Action</u>: Authorizing Mayor to sign project information application form for \$300,000 Save America's Treasures Grant for architectural planning and design for proposed World Food Prize Center in the old library building, in vicinity of 100 Locust Street. SPONSOR: Vlassis. Moved by Vlassis to adopt. Motion Carried 4-2. Absent: Daniels and Cownie. Council Member Brooks declares a conflict of interest and abstains from voting.

<u>Date</u>: April 22, 2002

Roll Call Number: 02-1050

Action: Adding Section 26-113(e) to the Municipal Code regarding waiver of permit fees by the City Council, for projects in the Metro Center Urban Renewal Project Area, (State Vision Iowa Program Funded Projects). Moved by Vlassis that this ordinance do now pass, #14,076. Motion Carried 6-1. Nays: Brooks

<u>Date</u>: March 18, 2002

Roll Call Number: 02-760

<u>Action</u>: On resolution to deny Local Landmark designation for 2 buildings, (continued from February 4, 2002): WITHDRAWN 02-759 (B) Public Library of Des Moines, 100 Locust Street. (1) ALTERNATE RESOLUTION: To approve. Moved by Hensley to adopt and approve the Landmark nomination. Motion Carried 5-1. Nays: Coleman. Council Member Brooks declares a conflict of interest, and abstains from voting.

Date: October 22, 2001

Roll Call Number: 01-3224

<u>Action:</u> On Proposed Fifth Amendment to Urban Renewal Plan for Metro Center Urban Renewal Project, to incorporate Vision Iowa Projects located in downtown. (Council Communication No. 01-537). Moved by Hensley to adopt. Motion Carried 4-3. Nays: Flagg, McPherson and Brooks.

Date: October 8, 2001

Roll Call Number: 01-3105

<u>Action:</u> Resolution directing staff to assist Vision Iowa Development projects within Metro Center Urban Renewal Project Area. (Council Communication No. 01-503). Moved by Hensley to adopt. Motion Carried 6-1. Nays: Brooks.

BOARD/COMMISSION ACTION(S):

Date: August 18, 2009

Roll Call Number: N/A

Action: Urban Design Review Board recommended approval of the developer's proposal.

<u>Date:</u> August 18, 2009

Roll Call Number: N/A

<u>Action:</u> Landmark Review Board reviewed the renovation plans for conformity to SHPO historic standards and local landmark designation with recommendation to the Council to issue a "Certificate of Appropriateness:

Date: July 14, 2009

Roll Call Number: N/A

<u>Action</u>: Des Moines Riverfront Development Authority, by consensus, indicated their full support for this project and requested there be pro-active coordination with the Principal Riverwalk construction occurring concurrently on the adjacent property.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

No other Council actions needed. Council will approve Conceptual Development Plan and financing on this date, site plan must be approved by P&Z, Council is approving public use agreement on this date, building permit and insurance review are administrative functions.

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