

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	November 9, 2009
	Agenda Item No. 32 Roll Call No. <u>09-</u> Communication No. <u>09-798</u> Submitted by: Matthew A. Anderson, Economic Development Administrator	

AGENDA HEADING

Resolution authorizing sponsorship of Brownfield Redevelopment Program application and Brownfield/Grayfield Redevelopment Tax Credit Application for Hubbell Terminal Corporation through the Iowa Department of Economic Development (IDED).

SYNOPSIS:

Hubbell Terminal Corporation, Rick Tollakson, President & CEO, 6900 Westown Parkway, West Des Moines, Iowa 50266, plans to submit application for the IDED sponsored programs to assist with redevelopment of the former Pittsburgh Des Moines Steel property at 921 Murphy in the Riverpoint West development area.

FISCAL IMPACT: NONE

These are State of Iowa programs and have no fiscal impact on the City of Des Moines budget.

Amount: \$344,832 Brownfield Redevelopment Program Grant; \$100,000 Brownfield Redevelopment Tax Credit

Funding Sources: State of Iowa

ADDITIONAL INFORMATION:

Hubbell Terminal Corporation intends to redevelop the former Pittsburgh Des Moines Steel site in the Riverpoint West development area. An office/warehouse park consisting of three buildings and 144,000 square feet is proposed for the site. The City of Des Moines has worked with Hubbell Terminal Corporation to facilitate redevelopment of the site, and to coordinate with outside agencies to procure financing to assist with environmental remediation on the site.

Hubbell Terminal Corporation has conducted remediation activity on the site under the requirements provided in a work plan approved by the U.S. Environmental Protection Agency (EPA). An EPA revolving loan fund (RLF) has been utilized for the remediation work, under the terms of a development agreement with the City of Des Moines. An amount not to exceed \$1,007,000 was approved under the RLF. A need for additional clean up was identified this year, which was remediated on site, but resulted in cost overruns not covered by the EPA loan amount. The Brownfield Redevelopment Grant and Brownfield Redevelopment Tax Credits from the IDED will assist with the redevelopment effort and offset the cost overrun due to the additional clean up. Resolutions of support from the City of Des Moines are required to be submitted with the applications.

PREVIOUS COUNCIL ACTION (S):

Date: May 19, 2008

Roll Call Number: 08-935

Action: Supplemental Development Agreement with River Point West LLC, Hubbell Realty Company and Hubbell Terminal Corporation for construction of SW 11th and Murphy Street improvements in conjunction with Riverpoint West and former Pittsburgh DSM Steel redevelopment projects. (Council Communication No. 08-304) Moved by Hensley to adopt. Motion Carried 7-0.

Date: May 18, 2009

Roll Call Number: 09-843

Action: Approving Declaration of Restrictive Covenants for the public rights-of-way in the former Pittsburg-Des Moines Steel site, SW 11th and Murphy Streets. (Council Communication No. 09-302) Moved by Kiernan to adopt. Motion Carried 6-1. Absent: Cownie.

BOARD/COMMISSION ACTION (S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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