



# Council Communication

Office of the City Manager

<b>Date:</b>	April 25, 2011
<b>Agenda Item No.</b>	<b>64</b>
<b>Roll Call No.</b>	<b><u>11-0749</u></b>
<b>Communication No.</b>	<b><u>11-233</u></b>
<b>Submitted by:</b>	<b>Jeb E. Brewer, P.E. City Engineer</b>

## AGENDA HEADING:

Authorization to submit a Revitalize Iowa's Sound Economy (RISE) grant application to the Iowa Department of Transportation for the Southeast Connector – SE 14th Street to SE 30th Street.

## SYNOPSIS:

Recommend approval for the City Manager to submit a RISE grant application to fund the Southeast Connector – SE 14th Street to SE 30th Street. This section of roadway provides a significant improvement to the transportation network and facilitates the planned expansion of Kemin Industries.

## FISCAL IMPACT:

Amount: \$32.5 million RISE Grant application for an overall project cost estimated at \$65 million.

Funding Source: 2011-2012 CIP, Southeast Connector – SE 14th Street to SE 30th Street, STR249, Page Street Improvements - 36.

## ADDITIONAL INFORMATION:

The RISE fund was created by the Iowa legislature in 1985 to assist in promoting economic development in Iowa through the establishment, construction, improvement and maintenance of roads and streets. The RISE program, which is funded by a percentage of the Iowa motor fuel tax, is designed to maximize economic impact, emphasize local involvement and initiative, and provide for situations requiring an immediate response and commitment of funds. Only City or County governments may apply for RISE funding.

The proposed Southeast Connector will create a new multi-lane, major arterial roadway connecting the Martin Luther King (MLK) Jr. Parkway terminus at SE 14th Street to the Vandalia Road/U.S. 65 interchange. The Southeast Connector will provide a strong connection between two major transportation facilities in southeast Des Moines. The Southeast Connector will provide the City a safe, efficient and direct route from downtown to U.S. 65 on the southeast side of the metropolitan area and will help spur economic development along the corridor. On May 27, 2010, the Federal Highway Administration signed the Record of Decision for the Southeast Connector from SE 14th Street to Highway U.S. 65.

The Des Moines Area Metropolitan Planning Organization (MPO) has approved five million dollars of Federal STP funds in FY 11 and 12 for replacement of the City facilities at 2100 Scott and \$2.125 million in FY14 for SE 14th to SE 18th Street. The MPO funding subcommittee has recommended an additional \$3.6 million in FY15 STP funds for SE 14th to SE 30th Street. The City will continue

pursuing additional Federal funds for this project.

The SE 14th Street to SE 30th Street segment is the first phase of the project. This segment will significantly improve the transportation network in the southeast area of the City and facilitate the planned expansion of Kemin Industries. In October 2010, Kemin Industries announced a \$39.6 million economic development project that includes expansion of their Des Moines manufacturing and worldwide corporate office located at 2100 Maury. Its new five-year capital expansion plan consists of a new 100,000 square foot worldwide headquarters, three new research & development facilities totaling approximately 65,000 square feet and six new manufacturing facilities totaling approximately 165,000 square feet. Kemin has growth plans to hire an additional 98 employees over the next five years at a projected weighted average starting wage of \$24.07, plus benefits. Kemin Industries currently employs 349 workers at its Des Moines location at an average hourly wage of \$31.37, plus benefits.

The proposed five-year capital expansion plan envisions this growth to the north of Kemin's existing campus location. Kemin has privately acquired a significant portion of the needed land, but is in need of property currently owned and occupied by the City of Des Moines. The City's various field functions located on the site for Public Works, Parks and Engineering Departments will be relocated as part of the Southeast Connector. Portions of the site south of the Southeast Connector roadway right-of-way are not required for the project and can be purchased by Kemin Industries for its expansion.

#### **PREVIOUS COUNCIL ACTION(S):**

Date: October 25, 2010

Roll Call Number: 10-1786

Action: [Authorization](#) to proceed with acquisition of necessary right-of-way and easements for the SE Connector – SE 14th Street to SE 30th Street. Moved by Meyer to adopt. Motion Carried 7-0.

Date: January 26, 2009

Roll Call Number: 09-137

Action: [Authorizing](#) notification of the City's preferred alternative for the Southeast Connector. ([Council Communication No. 09-031](#)) Moved by Meyer to adopt. Motion Carried 7-0.

#### **BOARD/COMMISSION ACTION(S): NONE**

#### **ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Execute RISE agreement and normal Council actions for capital improvement projects.

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).