

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	December 23, 2013
	Agenda Item No.	23
	Roll Call No.	[_____]
	Communication No.	<u>13-603</u>
	Submitted by:	Matthew A. Anderson, Assistant City Manager

AGENDA HEADING:

Authorizing the City Manager to negotiate preliminary terms of a developer initiated proposal for the purchase and redevelopment of City-owned parcels in the vicinity of 420 Court Avenue by Opus Development Company for a mixed-use development.

SYNOPSIS:

Opus Development Company (Tom Shaver, President and CEO, 10350 Bren Road West, Minnetonka, Minnesota 55343) has presented City staff with a redevelopment proposal for development of a 5-story, market-rate housing and retail/restaurant project on the City-owned parcels bound by 4th and 5th Streets south of Court Avenue. The 2.3 acre site is currently an assembly of surface parking lots and vacated right-of-way and is owned and controlled through the Office of Economic Development.

FISCAL IMPACT:

Amount: To be determined.

Funding Source: A sales price and possible financial assistance package will be negotiated and presented to the City Council for consideration at a later date.

ADDITIONAL INFORMATION:

The Opus Group is a diversified real estate development company with offices in eight (8) Midwestern cities, including West Des Moines, Iowa. Opus would like to model the proposed Court Avenue project off a similar project currently under construction in Minneapolis called VELO. The project would consist of approximately 170 market rate apartments, 15,000 square feet of commercial space, and the potential for both above and belowground parking. City staff will work with Opus to explore public parking solutions and opportunities on the site.

City staff will conduct an appraisal of the land value, work collaboratively with Opus on project programming, design and financing, present the project to the Urban Design Review Board, and return to the City Council at a later date for consideration of project details. Staff will also engage the Downtown Farmer’s Market, Court District Association, and nearby residents during the planning process.

The site is outlined in red below:



PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Preliminary terms of agreement will be negotiated and presented to the City Council. The deadline for Council approval of preliminary terms of agreement will be April 30, 2014. If the project has not advanced by this date, staff will analyze the market and may recommend issuing a request for proposal for the site or begin preliminary negotiations with alternate developers.

Urban Design Review Board review and recommendation regarding project design and financial assistance, if needed.

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 first 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.