

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> June 8, 2015
	<b>Agenda Item No.</b> 33 <b>Roll Call No.</b> <u>15-925</u> <b>Communication No.</b> <u>15-283</u> <b>Submitted by:</b> Matthew A. Anderson, Assistant City Manager

**AGENDA HEADING**

Approval of Conceptual Development Plan for the redevelopment of 420 Court Avenue with a Hy-Vee Grocery Store, apartments and parking ramp.

**SYNOPSIS**

This roll call approves the conceptual design plans which is required by the development agreement between the City and 420 Court Avenue LLC , (Gerard Neugent, 5000 Westown Parkway, Suite 400, West Des Moines, IA, agent) as a condition that must be met before the land can be conveyed. The roll call also provides that up to eight (8) of the proposed 82 new apartments to be affordable for individuals and families with an income below 80% of the Area Median Income; the affordable housing component is required by the project’s financing provided by federal New Markets Tax Credit.

**FISCAL IMPACT: NONE**

**ADDITIONAL INFORMATION: NONE**

**PREVIOUS COUNCIL ACTION(S)**

Date: April 6, 2015

Roll Call Number: [15-0629](#)

Action: [On](#) Urban Renewal Agreement for sale of Land for Private Development, with 420 Court Avenue, LLC, for the sale and redevelopment of Disposition Parcel 99C at 420 Court Avenue, in the Metro Center Urban Renewal Area (Hy-Vee project). ([Council Communication No. 15-178](#)) Moved by Gatto to adopt. Motion Carried 6-1.

Date: February 23, 2015

Roll Call Number: [15-0289](#)

Action: [On](#) competitive bid process for sale and redevelopment of Disposition Parcel No. 99C at 420 Court Avenue in the Metro Center Urban Renewal Project Area and receipt of redevelopment proposal from 420 Court Avenue, LLC (Court Avenue Hy-Vee), (4-6-15). ([Council Communication No. 15-075](#)) Moved by Coleman to adopt. Motion Carried 7-0.

Date: January 30, 2015

Roll Call Number: [15-0169](#)

Action: [420](#) Court Avenue, LLC (Stuart Ruddy, General Counsel, Knapp Properties, 5000 Westown Parkway Suite 400 West Des Moines, IA 50266) for a \$ 29,960,000 project constructing 81 housing units at 420 Court Avenue. Moved by Hensley to approve, subject to the projects being required to meet all other City requirements, including without limitation, local funding and zoning; and acknowledging that the Council had to act without the normal detailed review, but did so in an effort to aid the applicants and improve the quality of life in Des Moines and further did so with the understanding that the process will be more refined and complete prior to additional submissions for the program. Motion Carried 7-0.

Date: January 12, 2015

Roll Call Number: [15-0075](#)

Action: [Preliminary](#) terms of agreement and authorize City Manager to proceed with the necessary documents for a developer-initiated redevelopment proposal with 420 Court Avenue, LLC (a joint limited liability company formed by William C. Knapp, LC and Hy-Vee, Inc.) for the purchase and redevelopment of Disposition Parcel No. 99C/ Metro Center Urban Renewal Area located at 420 Court Avenue. ([Council Communication No. 15-019](#)) Moved by Hensley to receive, file and approve the preliminary terms of agreement set forth in Council Communication No. 15-019 to direct the City Manager's Office to proceed with negotiation of a formal agreement with 420 Court Avenue, LLC to be incorporated into a developer-initiated proposal, consistent with the terms set forth in the Council Communication No. 15-019. Motion Carried 7-0.

Date: March 10, 2013

Roll Call Number: [14-0383](#)

Action: [Proposed](#) Preliminary District Plan for the Iowa Convention and Entertainment Reinvestment District and the submission of a pre-application to the Iowa Economic Development Authority (IEDA). ([Council Communication No. 14-109](#)) Moved by Coleman to adopt. Motion Carried 7-0.

Date: February 24, 2014

Roll Call Number: [14-0329](#)

Action: [Selection](#) of Knapp Properties/Hy-Vee as the preferred developer to purchase and redevelop 420 Court Avenue. ([Council Communication No. 14-080](#)) Moved by Coleman to acknowledge that this is the first step of the process, refer to the City Manager to develop a communication strategy and to submit it to Council for their review that will keep the Mayor and Council apprised of the negotiations and development plan, and to adopt the recommendations contained in Council Communication No. 14-080. Motion Carried 5-1-1. Nays: Moore. Absent: Cownie. \*Mayor Cownie left the meeting during Item 52.

Date: December 23, 2013

Roll Call Number: [13-1971](#)

Action: [Authorizing](#) the City Manager to seek proposals for the purchase and redevelopment of City-owned parcels in the vicinity of 420 Court Avenue with a mixed-use project. ([Council Communication No. 13-603](#)) Moved by Hensley to adopt; refer to the City Manager to include a communication plan for the Council into this project. Motion Carried 7-0.

## **BOARD/COMMISSION ACTION(S)**

Board: Urban Design Review Board

Date: April 21, 2015

Resolution Number: NA

Action: The Board recommended approval (4-3, 4 absent) of the Conceptual Development Plan as presented and to allow the City staff to work with the development team to finalize the following:

- continued development of urban edges
  - loading dock area – add more street trees along 5<sup>th</sup> Street
  - further development of surface parking area and landscape/wall edge at 4<sup>th</sup> Street
- review of the signage
- consideration of development of east and west terminations of green link located by the southern boundary of the property by adding functionality to the structures.

Board: Urban Design Review Board

Date: February 3, 2015

Resolution Number: N/A

Action: The Board recommended approval (5-0-2 abstain, 4 absent) of the conceptual design plans shown with the following items still to be resolved by additional review prior to the sale of the property to the developer:

- Believe the change from using exterior wood/metal panels is a good thing although the step-down in quality to the Nichiha-type fiber cement board materials is a concern. The Board requests further investigation of materials where the fiber cement board is proposed to face public rights-of-way on 4<sup>th</sup> Street and Court Avenue in the elevations presented at this meeting.
- The Board needs to see further development of all site plan-related items, including the green link, streetscapes on all rights-of-way, screening of the loading dock area, and integration of bike facilities.
- Selection of the exterior screen material for the parking garage should take the level of transparency into account with respect to the screening's perforation size with a preference for a medium/high level of transparency.
- May be beneficial to articulate the exterior columns on the parking garage.
- Recommends additional design work be done on the streetscape/sidewalk area on the 5<sup>th</sup> Street pedestrian corridor connecting from Court Avenue to MLK Parkway. The Board would like to see the addition of landscaping and seating, similar to what was described in the schematic design which felt more vibrant and pedestrian-friendly.

- Encourage additional consideration to a green roof for the Hy-Vee store, especially for the residential units that face south and view this rooftop; the current rooftop may diminish the marketability of those units.

Board: Urban Design Review Board

Date: January 20, 2015

Resolution Number: N/A

Action: The Board recommended approval (7-1-2 abstain, 1 absent) of the proposed financial assistance package with the following comments:

- Concerned the 15 year tax abatement is too long. Feel the incentives are too high; making the City and government a partial owner of the project without getting benefits of ownership. Seems most of the incentives are going to parking that is needed because of the grocery store. Any business that requires 30% subsidy, is not a business at all but a welfare recipient.
- Realize the financial support is on the high side but there have been several opportunities in the past that have fallen through. Feel that it is time to try to get this to happen.
- Would like to see the second phase happen as quickly as the market would allow. The project is much stronger with a second phase completed. Encourage everyone involved to look at this as an opportunity.
- Feel that the grocery store is needed but it is only one (1) facet of a multi-faceted problem. The problem is that the residents downtown need a mass transit solution. Transit is a high priority that the City needs to start work on. Opportunities for transit may need to be driven by the private sector. With that understanding when is there going to be a tipping point when there is investment in infrastructure for transit or when it becomes a priority.
- Think the project is worth the investment and it will continue to support a healthy downtown. This opportunity is appropriate at this time. It is worth the investment to keep downtown going in the right direction.

Board: Urban Design Review Board

Date: January 6, 2015

Resolution Number: N/A

Action: Recommended approval (9-0-2 absent) of the proposed preliminary conceptual plan with:

- Liked the loading dock location; continue refinement to minimize its impact.
- Continue to develop the ground floor plan; Board preferred as much transparency and visibility as possible into the grocery store operations using the display windows.
- Provide a strong and unique urban edge along the surface parking while still allowing for future residential expansion on 4<sup>th</sup> Street.
- Conceptual material palette was agreeable but subject to review of actual materials.
- Urban grocery store is needed in downtown; make sure the area for grocery stock is large enough.
- Provide further definition of ‘pocket park’.

## **ANTICIPATED ACTIONS AND FUTURE COMMITMENTS**

Staff will continue to work with the development team to finalize the following:

- Continued development of urban edges along the street frontages, especially on the 5<sup>th</sup> Street side by the loading dock area and further development of surface parking area and landscape/wall edge at 4<sup>th</sup> Street.
- Review of the signage.
- Consideration of development of east and west terminations of green link located by the southern boundary of the property by adding functionality to the structures.

Conveyance of the property is anticipated to occur in late July 2015.

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](mailto:cityclerk@dmgov.org).