

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 22, 2015
	Agenda Item No. 66A Roll Call No. <u>15-1091</u> Communication No. <u>15-348</u> Submitted by: Matthew A. Anderson, Assistant City Manager

AGENDA HEADING:

Resolution to receive and file a proposal from Des Moines Cold Storage to purchase land and refer to the City Manager for further review and negotiation.

SYNOPSIS:

Des Moines Cold Storage (John Paul Muelhaupt, President, 800 New York Avenue Des Moines, Iowa 50313) has submitted a proposal to purchase approximately 10 acres of land with an option for up to 20 additional acres from the City of Des Moines in the SE Agribusiness Park. The approximate location of the parcel is directly west of SE 43rd and Vandalia Road. Des Moines Cold Storage was established in 1910 and is one of the Midwest Region’s largest refrigeration and processing companies, operating five (5) USDA approved facilities in Iowa.

The company has evaluated their existing facilities, and determined a need to divest of older facilities that are no longer able to meet operational needs for the business. The purchase of City-owned land will provide the area necessary for construction of a modern and efficient LEED certified facility while retaining the business in the City of Des Moines.

FISCAL IMPACT:

To be determined. Fiscal impact will include land sale proceeds from Des Moines Cold Storage to the City of Des Moines. Per the current land acquisition 28E Agreement with Des Moines Water Works (DMWW), DMWW is to receive one-third of the sales proceeds, up to their initial \$625,000 investment.

ADDITIONAL INFORMATION:

The Office of Economic Development has been working with Des Moines Cold Storage for several months to identify a new location for their business in the City of Des Moines. Industrially zoned parcels of the size that the company is seeking, with proximity to rail service, are not numerous in either the City’s inventory or the private market. The company is attracted to the location of the SE Agribusiness Park property due to its proximity to Highway 65 and the Interstate system, the proximity to rail service, the ready availability of public utilities, and adequate room for the company’s planned relocation and expansion project, as well as future growth.

Following City Council receive and file action at this meeting, preliminary terms of an urban renewal development agreement will be negotiated with Des Moines Cold Storage for presentation at a later

Council meeting date. The project will be reviewed by the Urban Design Review Board, DMWW Board of Trustees and the City of Des Moines Good Neighbor Task Force.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

City Council meeting to consider preliminary terms of an urban renewal development agreement and review by applicable boards and commissions.

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.