

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: August 24, 2015
	Agenda Item No. 35A Roll Call No. <u>15-1438</u> Communication No. <u>15-474</u> Submitted by: Matthew A. Anderson, Assistant City Manager

AGENDA HEADING:

Resolution accepting developer-initiated redevelopment proposal from Doll Distributing, LLC to redevelop City-owned property in the Guthrie Avenue Business Park Urban Renewal Area.

SYNOPSIS:

On August 10, 2015, by Roll Call No. 15-1354, City Council moved to receive and file a developer-initiated proposal and preliminary terms of a development agreement with Doll Distributing, LLC (Mark Doll, CEO) to purchase City-owned land in the Guthrie Avenue Business Park Urban Renewal Area. The developer is proposing to expand their existing operations at 1901 De Wolf Street with additional space for truck circulation and setbacks to enhance their freight based distribution operations. Approximately 1.11-acres of City-owned land will be sold and utilized in expansion of the parking lot and to meet open space requirements, providing an enhanced area for truck circulation and fleet storage.

Council is requested to set public hearing for September 28, 2015 to receive competing proposals for the property under the Minimum Development Requirements that accompany this Roll Call.

FISCAL IMPACT:

Amount: The Company will purchase City-owned land at fair market value for an estimated \$66,908.70, which is based upon fair market value of \$1.35 per square-foot by 49,562-square-feet. A Good Faith Deposit will be provided in the amount of \$6,690.87 with the submission of the Urban Renewal Development Agreement. At the time of closing, the developer will receive credit for the Good Faith Deposit, credit of \$3,000.00 for the cost of surveying the property, credit for 50% of the cost of title insurance for the property estimated at \$500, and credit for the lowest of three (3) bids for disposing/remediating the soil stockpile currently located on the property.

Funding Source: Land sales proceeds from Doll Distributing, LLC to be re-deposited in the Guthrie Avenue Urban Renewal Area.

ADDITIONAL INFORMATION:

Doll Distributing (formerly Nesbit) has been located at 1901 De Wolf in the Guthrie Avenue Business Park since 1995. The ability to add to their current 135,000-square-foot facility in 2009 and enhance their freight operations solidified their decision to remain in Guthrie Avenue Business Park and within the City of Des Moines. The currently proposed project will do the same.

Doll Distributing employs 200 people in the City of Des Moines and approximately 300 people statewide. The Guthrie Avenue Business Park site serves as the company's corporate headquarters. The purchase of land will provide additional ability for the company to enhance their truck circulation and loading/unloading activities.

The total estimated cost of site preparation and development for the currently proposed project is \$500,000. Construction is proposed to begin in fall 2015 and will be completed by December 30, 2015.

Doll Distributing's redevelopment proposal has been reviewed and approved by the Urban Design Review Board under the Minimum Development Requirements, which are in accordance with the Guthrie Avenue Business Park Urban Renewal Plan and the current zoning ordinance. All competing proposals shall provide a detailed description of the proposed development that shall indicate satisfaction of the Minimum Development Requirements, devise a proposed method and sources of financing which must be adequate to assure financing of the development in a timely manner and provide a good faith deposit in the amount of \$6,690.87 for the Property, in acceptable form to the City of Des Moines.

PREVIOUS COUNCIL ACTION(S):

Date: August 10, 2015

Roll Call Number: [15-1354](#)

Action: [Authorizing](#) the City Manager to negotiate agreement based on preliminary terms with Doll Distributing, LLC, 1901 De Wolf Street (Guthrie Avenue Business Park). ([Council Communication No. 15-433](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: December 21, 2009

Roll Call Number: [09-2292](#)

Action: Issuance of Certificate of Completion for the following:

- (A) [Doll](#) Distributing LLC for improvements in the Guthrie Avenue Urban Renewal Area. ([Council Communication No. 09-884](#)) Moved by Mahaffey to adopt. Motion Carried 7-0.

Date: April 20, 2009

Roll Call Number: [09-0678](#)

Action: [On](#) Urban Renewal Development Agreement with Doll Distributing LLC and conveyance of Disposition Parcel No. 28A in the Guthrie Avenue Business Park Urban Renewal Area. ([Council Communication No. 09-228](#)) Moved by Mahaffey to adopt. Motion Carried 7-0.

Date: February 23, 2009

Roll Call Number: [09-0291](#)

Action: [Accepting](#) Developer-initiated Redevelopment Proposal from Doll Distributing, LLC to redevelop Disposition Parcel No. 28A (South of Thompson Avenue to E. Jefferson Avenue on DeWolf Street) in the Guthrie Avenue Business Park Urban Renewal Area. ([Council Communication No. 09-081](#)) Moved by Hensley to adopt. Motion carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: August 11, 2015

Roll Call Number: N/A

Action: A consensus of the members present recommend preliminary and final approval of the land purchase and business expansion. Present – 4, No – 0, Absent – 6, Abstain – 0.

Date: December 16, 2008

Roll Call Number: N/A

Action: Urban Design Review Board approved minimum development requirements and competitive criteria for disposition of property in Guthrie Avenue Business Park.

Date: December 2, 2008

Roll Call Number: N/A

Action: Urban Design Review Board approved preliminary design for Doll Distributing redevelopment.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Hold public hearing to receive competing proposals on September 28, 2015. If none are received, approve final terms of the Urban Renewal Development Agreement with Doll Distributing, LLC.

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