

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	September 28, 2015
	Agenda Item No.	[]
	Roll Call No.	<u>15-1645</u>
	Communication No.	<u>15-520</u>
	Submitted by:	Matthew A. Anderson, Assistant City Manager

AGENDA HEADING:

Open and close public hearing on the 5th Amendment to the Guthrie Avenue Business Park Urban Renewal Area Plan.

SYNOPSIS:

This Fifth Amendment to the Guthrie Avenue Business Park Urban Renewal Plan will provide for the inclusion of sale of land for redevelopment as a proposed project under the plan. On this City Council agenda is the request to approve final terms of a development agreement on the proposed sale of land to Doll Distributing (Mark Doll, 1901 De Wolf Street, Des Moines Iowa 50317).

The required taxing entities consultation meeting was held September 4, 2015. The amendment to the plan was approved on August 11, 2015 by the Urban Design Review Board.

FISCAL IMPACT:

This plan update includes the sale of land to Doll Distributing, LLC. Final development agreement for this sale of land is item 15-519 on this Council agenda.

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 was 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 for the lowest of three (3) bids received for survey of the property, and credit for moving 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:

In 1988, the Guthrie Avenue Urban Renewal Plan was created to enable small to medium scale light industrial businesses to locate in an area served by rail, directly west of I-235 and near the junction of Interstates 35 and 80. The area was previously characterized by numerous salvage yards and significant amounts of blighted and vacant space.

Redevelopment activity has been directed to providing reasonably priced sites for sale to small and mid-sized businesses. With the area’s proximity to the interstate system and M-1 zoning, it has had

strong appeal to businesses that could have otherwise located outside of Des Moines.

The Guthrie Avenue urban renewal project has provided public funds, through tax increment financing as well as other federally funded grants, to provide needed infrastructure and purchase property for redevelopment in order to leverage new private redevelopment investment. Significant redevelopment in the park includes Moss Distribution, ABC Supply, Library Binding Services (LBS), Midwest Automatic Fire Sprinkler, and Doll Distributing. These businesses have helped increase the area's property assessments from about \$3 million in 1988 to an estimated \$40 million today with about 710 jobs created or retained.

PREVIOUS COUNCIL ACTION(S):

Date: August 24, 2015

Roll Call Number: [15-1438](#), and [15-1439](#)

Action: Items regarding Guthrie Avenue Business Park Urban Renewal Area:

- (A) [Accepting](#) developer-initiated redevelopment proposal from Doll Distributing, LLC to redevelop City-owned property in the Guthrie Avenue Business Park Urban Renewal Area. ([Council Communication No. 15-474](#)) Moved by Hensley to adopt. Motion Carried 7-0.
- (B) [Setting](#) date of hearing on the proposed Fifth Amendment to the Urban Renewal Plan for the Guthrie Avenue Business Park Urban Renewal Area, (9-28-15). ([Council Communication No. 15-470](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: March 10, 2014

Roll Call Number: [14-0378](#)

Action: [On](#) the proposed Fourth Amendment to the Urban Renewal Plan for the Guthrie Avenue Business Park Urban Renewal Area, (4-7-14). ([Council Communication No. 14-087](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: September 14, 2009

Roll Call Number: [09-1700](#) and [19-1701](#)

Action: [On](#) Proposed Third Amendment to Urban Renewal Plan for the Guthrie Avenue Business Park Urban Renewal Area extending to September 30, 2019. Moved by Mahaffey to adopt. Motion carried 7-0.

- (A) [Communication](#) from Plan and Zoning Commission. ([Council Communication No. 09-626](#)) Moved by Mahaffey to file. Motion carried 7-0.

Date: August 10, 2009

Roll Call Number: [09-1444](#)

Action: [On](#) Proposed Third Amendment to Urban Renewal Plan for the Guthrie Avenue Business Park Urban Renewal Area extending to September 30, 2019, (9-14-09). ([Council Communication No. 09-560](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: July 27, 2009

Roll Call Number: [09-1381](#)

Action: [On](#) Amendment of Urban Renewal Development Agreement, Declaration of Covenants and Special Warranty Deed for conveyance of Disposition Parcel 28A in Guthrie Avenue Business Park to Doll Distributing (to amend legal description). ([Council Communication No. 09-514](#)) Moved by Mahaffey to adopt. Motion Carried 7-0.

This is the most recently sold property in the Guthrie Avenue Business Park Urban Renewal Area; there have been numerous previous roll calls for sale of land for redevelopment in the urban renewal area.

Date: September 26, 1988

Roll Call Number: 88-5958

Action: Adopt Urban Renewal Plan for Guthrie Avenue Business Park.

This urban renewal plan has been amended twice since its adoption.

Date: December 18, 1989

Roll Call Number: 89-5201

Action: Designate Guthrie Avenue Business Park Urban Renewal Area as tax increment finance district.

BOARD/COMMISSION ACTION(S):

Board: Urban Design Review Board

Date: September 15, 2015

Resolution Number: N/A

Action: Motion to approve as presented by MacRae. Seconded by Dietz-Kilen. Yes 7, No 0, Absent 3.

Board: Urban Design Review Board

Date: August 18, 2009

Resolution Number: N/A

Action: Urban Design Review Board recommended approval of the proposed urban renewal plan amendment.

Board: Plan & Zoning Commission

Date: August 20, 2009

Resolution Number: N/A

Action: Plan and Zoning Commission found the amendment to the urban renewal plan to be in conformance with the City's adopted Comprehensive Plan.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The Office of Economic Development will continue work to identify funding sources and timing for additional land acquisition to prepare sites for redevelopment in the Guthrie Avenue Business Park.

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