


COUNCIL COMMUNICATION

	Number:	26-204	Meeting:	June 8, 2026
	Agenda Item:	29	Roll Call:	<input type="text"/>
	Submitted by:	Carrie Kruse, Economic Development Administrator		

AGENDA HEADING:

Resolution directing city manager to receive and file developer-initiated proposal and negotiate preliminary terms of an Urban Renewal Development with Heart of America for the development of a commercial office building on city-owned property at 401 Robert D. Ray Drive

SYNOPSIS:

The Office of Economic Development received a developer-initiated proposal for the city-owned parcel at 401 Robert D Ray Drive. Heart of America is proposing to develop a five-story, 70,000 square-foot office building on the East Village site. Staff recommends proceeding with negotiations and will return a development proposal and preliminary terms of a Development Agreement to the City Council for consideration.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- The subject property is .394 acres, and mass timber construction is currently being contemplated for this project.
- Heart of America would anticipate utilizing 15,000 to 20,000 square feet of the new building for their corporate headquarters, relocating from the Quad Cities.
- A competitive disposition process will be required for this site. Upon presentation of the preliminary terms of an urban renewal development agreement at a future Council meeting, a hearing will be set and a 30-day competitive window will open.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- City Council – Approve Preliminary and Final Terms of an URDA

- City Council – Set and Hold Hearing for the Competitive Disposition of Real Property, Approve Purchase Agreement
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- Urban Design Review Board – Final Design Review

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