



Roll Call Number

Agenda Item Number

64

Date July 13, 2015

COMMUNICATION FROM THE CITY MANAGER REGARDING REDEVELOPMENT INTEREST FOR THE CITY-OWNED FIFTH AND WALNUT PARKING STRUCTURE PROPERTY

WHEREAS, the City of Des Moines owns the parking structure and underlying property in the vicinity of Fifth Avenue and Walnut Street ("Property"); and

WHEREAS, the City Manager has submitted a communication regarding redevelopment interest from Mandelbaum Properties (Justin and John Mandelbaum) which may include the purchase and redevelopment of the Property for a high-rise apartment housing, parking and commercial space with entertainment features.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa that the documentation from Mandelbaum Properties related to its redevelopment interest in the Property is hereby received and filed.

BE IT FURTHER RESOLVED that the City Manager and his designees are hereby authorized and directed to work with Mandelbaum Properties for the potential redevelopment of the Property.

BE IT FURTHER RESOLVED that the City Manager and his designees are authorized and directed to proceed with the process for selecting a developer and the process for sale and development of the Property as set forth in the City Manager communication.

Moved by _____ to adopt.

FORM APPROVED:

Lawrence R. McDowell
Deputy City Attorney

(Council Communication No. 15.377)

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, GATTO, GRAY, HENSLEY, MAHAFFEY, MOORE, and TOTAL.

MOTION CARRIED APPROVED

Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

Presenting a

Proposed Mixed-Use Development

in

Downtown Des Moines

July 10, 2015





Photo credit: Jerry Tormey

Demolition of the 1,708-seat Paramount Theater at 5th & Grand, October 1979

“For most of the 20th century, downtown was the heart of the movie theater scene in Des Moines. It’s sad that we’ve lost that today. It’s time to bring the movies back to downtown.”

– Steve Zumbach



MANDELBAUM PROPERTIES III III III III PUSHpixel
STUDIO MELEE

A Unique Opportunity to Transform the Court Avenue District

Mandelbaum Properties is proposing a landmark mixed-use development (the “Project”) at the southeast corner of 5th and Walnut. The Project will transform the Court Avenue District into the premier entertainment destination and residential neighborhood in the Des Moines metro area.

Project Summary: \$85 million mixed-use development featuring 57,000 square feet of entertainment and commercial space, a 32-story residential tower, and a parking garage for residents, Polk County Courts, daytime office users and entertainment customers.

Entertainment Tenants:

1. 9-screen upscale movie theater featuring premium food, drinks and seating with a lobby and bar/restaurant on Court Avenue.
2. Outdoor/indoor rock climbing facility on the Court Avenue parking garage façade.
3. Jazz club at street level on Walnut Street.

Other Commercial Tenants:

1. Day care center with outdoor play area on the 6th floor.
2. Office space on the 7th floor.

Residential: 200 market rate apartments spread over 25 floors above the commercial space and parking with a rooftop skydeck.

Parking / Skywalk: 550-650 space parking garage, featuring one level of subterranean parking and four/five levels of above-ground parking. Skywalk connections to Capital Square, Polk County Justice Center and Court Avenue.

The Project Benefits Residents, Businesses and the City

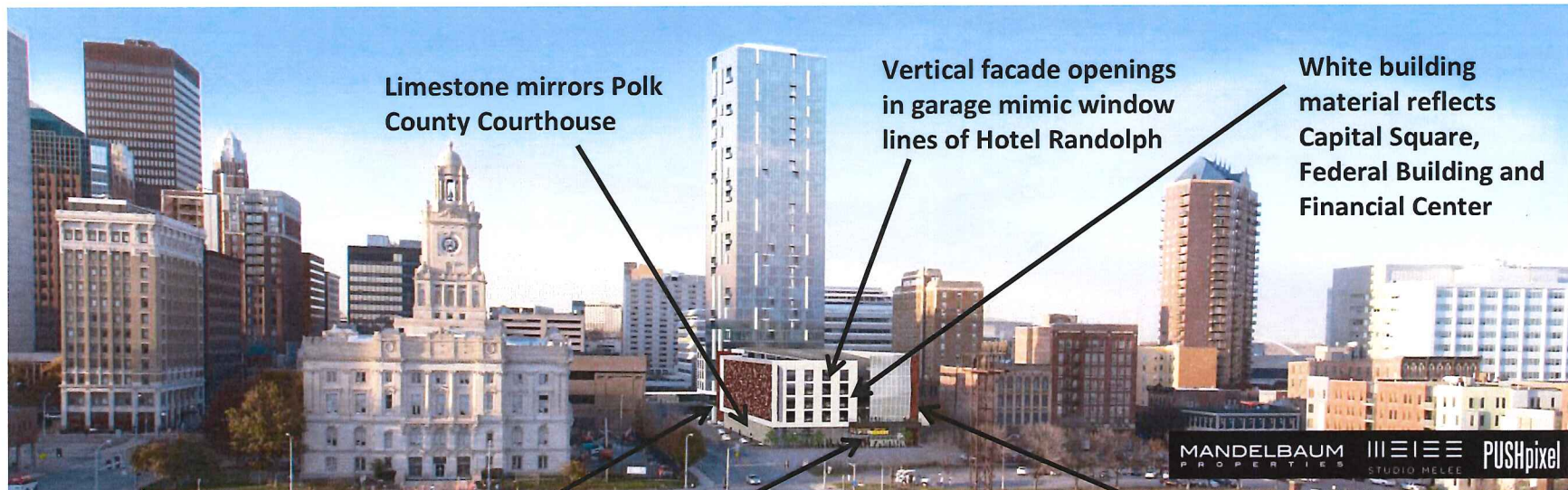
The Project will provide entertainment alternatives that are not purely alcohol-focused, bringing much-needed diversity to Court Avenue and expanding its appeal to a broader audience.

1. An entertainment-complex featuring an upscale movie theater would bolster the existing entertainment offerings in downtown Des Moines.
 - Residents of greater Des Moines will benefit from the addition of a next-generation upscale movie theater offering premium food, drinks and seating that is far superior to anything else available in the city.
 - The historic legacy of premier downtown theaters in Des Moines will be re-established and continued.
2. The Project will improve the attractiveness of living in downtown Des Moines, and serve as a catalyst for future residential development.
 - Downtown residents will no longer have to travel five miles to the closest first-run theater.
 - The Project offers a residential product currently unavailable in the market.
3. The business community will benefit from a first-class entertainment and residential property.
 - The downtown workforce will be able to catch a movie after work without fighting rush hour traffic.
 - The Project will be a selling point for recruiters wooing out-of-town talent; workers accustomed to “big city” high rise living will have an option to continue that lifestyle in Des Moines.
4. Polk County Courts, nearby offices and Court Avenue businesses will have ample convenient parking.

The Project will be a game-changer for downtown Des Moines, cementing its reputation as the metro area’s most desirable place to live, work, eat and play.

The Project Will Blend Seamlessly with the Neighborhood

The Project is designed as a transition piece between the historic Court Avenue buildings, the new Polk County Justice Center and Hy-Vee to the west and south, and Capital Square to the north.



Boxed sculpture wall aligns with Polk County Justice Center



Glass entrance wall of theater matches Hy-Vee's 1st floor



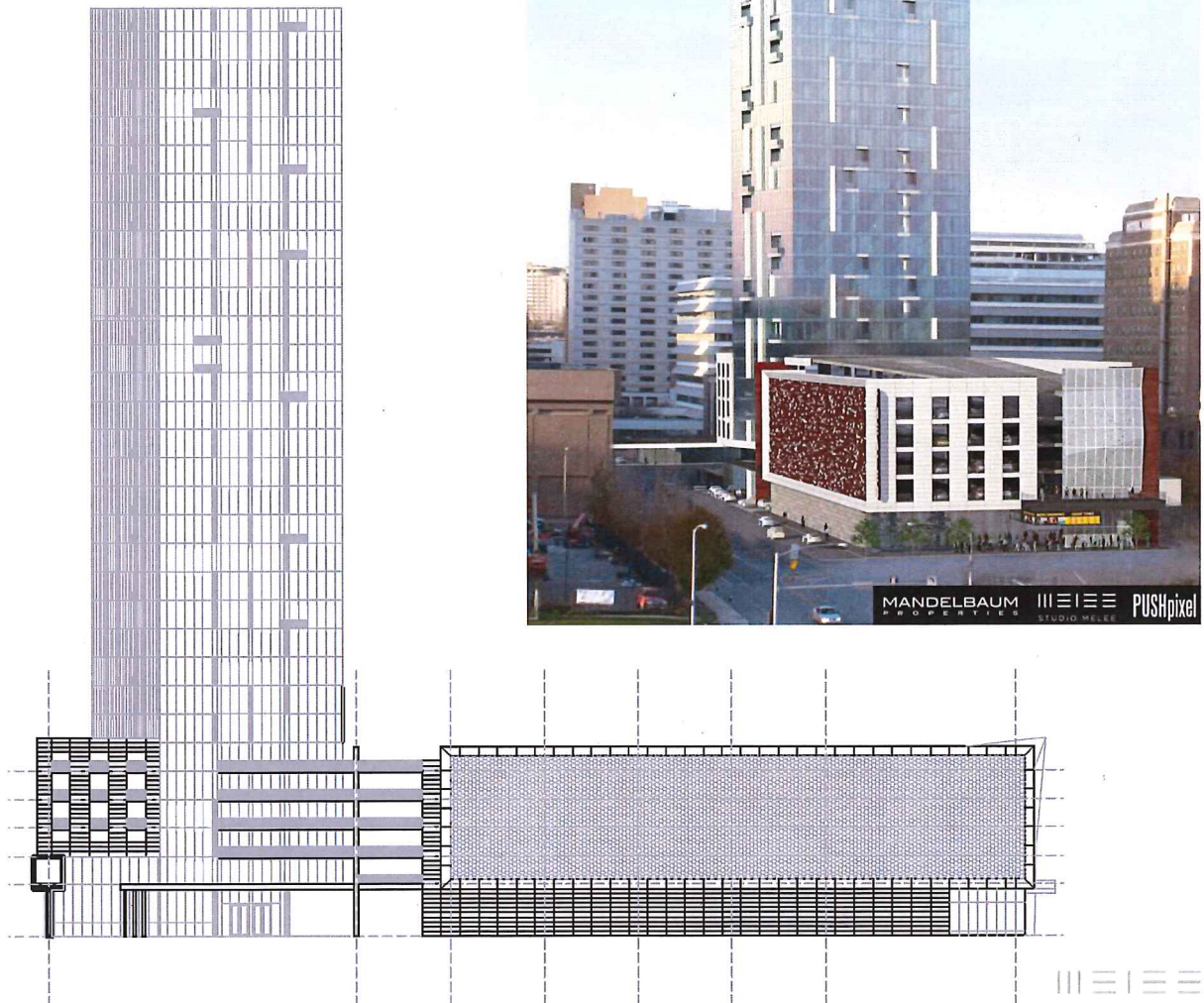
Brick-colored materials on eastern, western and sculpture walls match Court Avenue buildings

The following pages contain preliminary renderings, elevations and floor plans by STUDIO MELEE architects and PUSHpixel graphics studio.

Preliminary Renderings and Elevations



The tower will feature a modern glass envelope with balconies and vertical structural highlights.

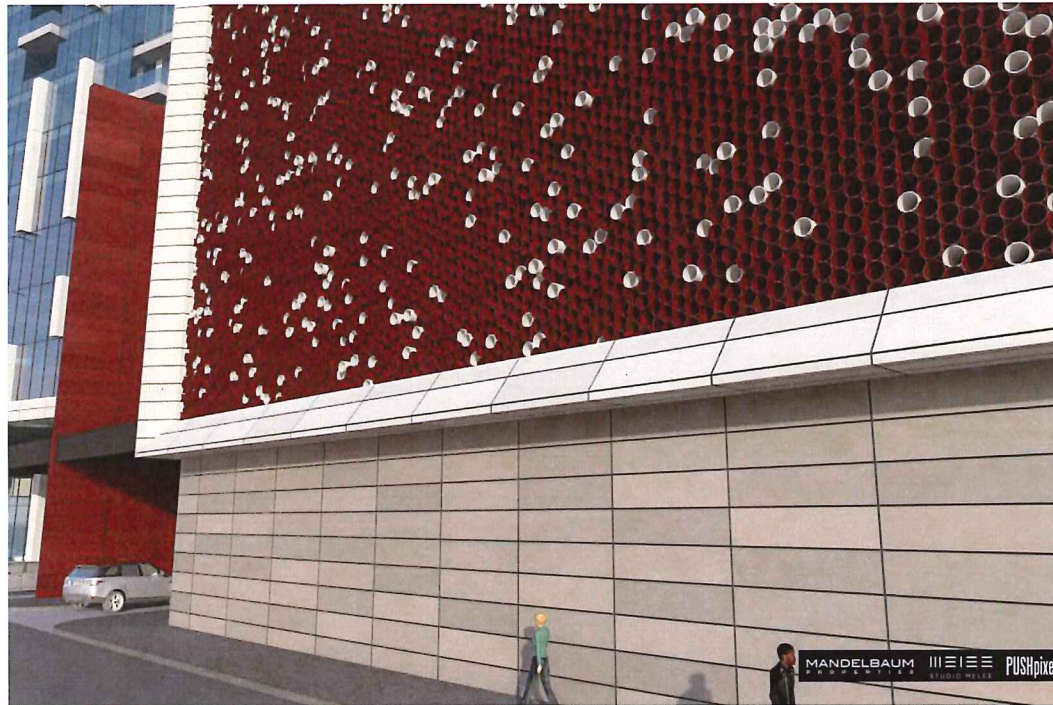


Preliminary Renderings and Elevations (continued)



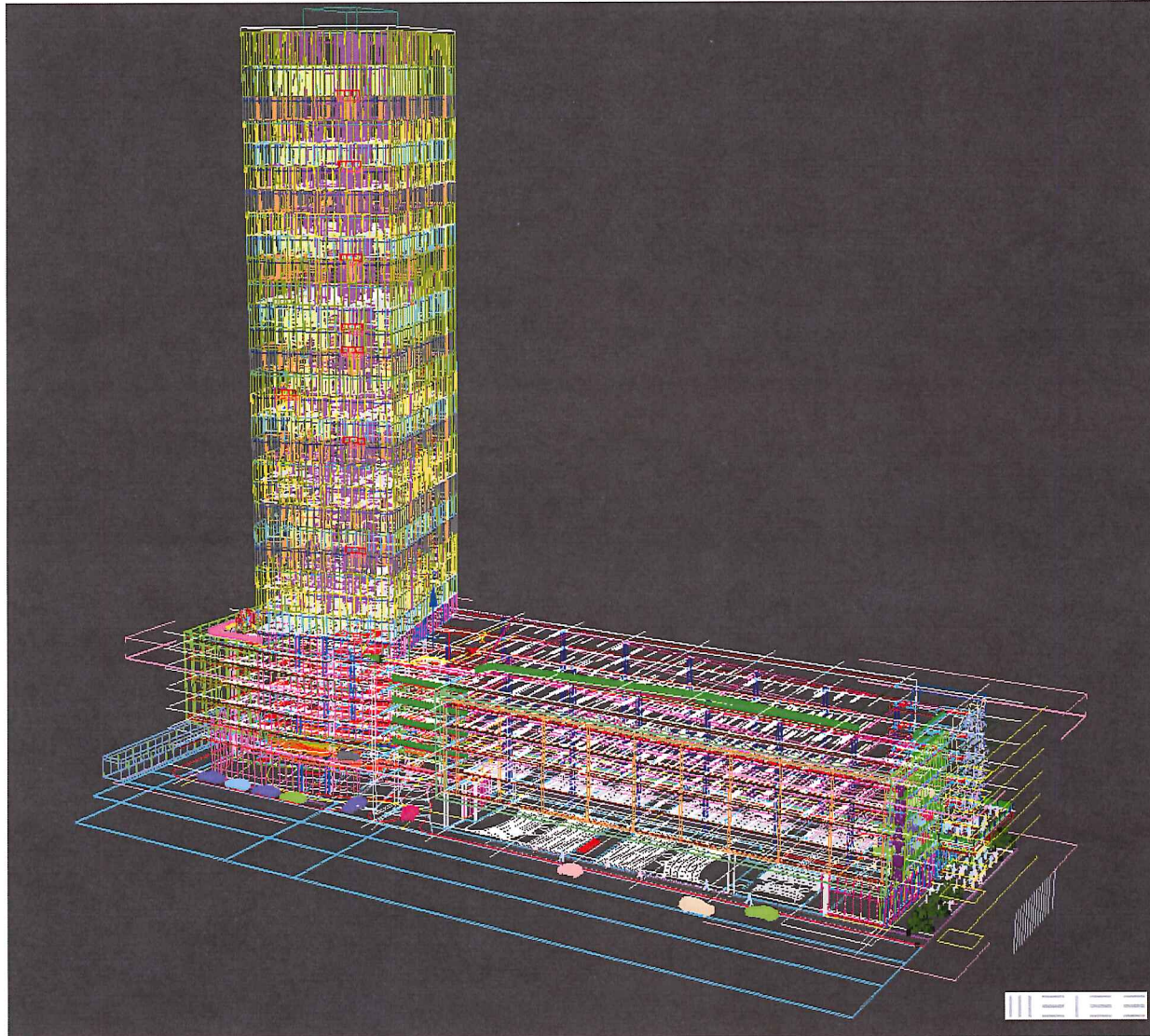
The 5th Avenue Garage Façade Will Feature a Sculpture Wall

The façade of the parking garage along 5th Avenue will feature a sculpture wall made of brick-colored and white piping, turning what would otherwise be an eyesore into a prominent artistic feature.



The inspiration for this design came from the Eskenazi Health parking garage in Indianapolis

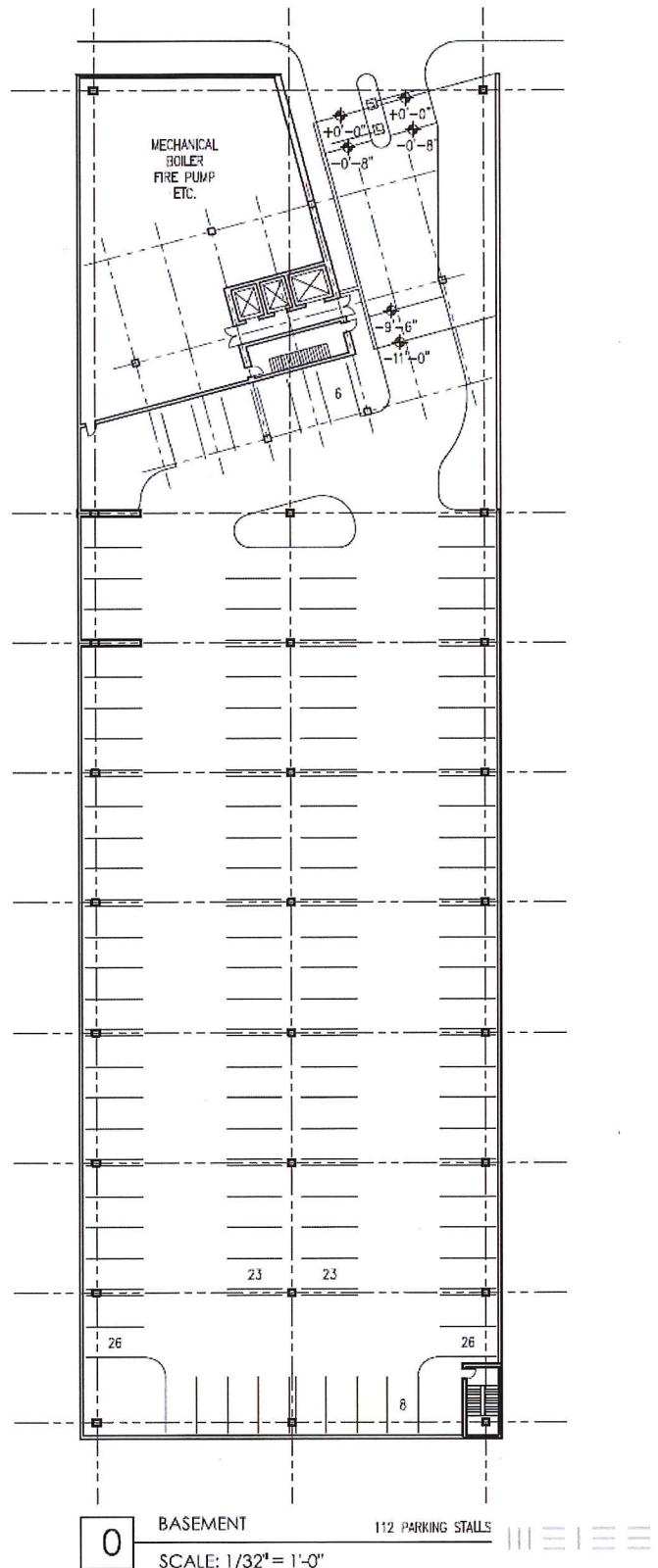
Preliminary Architectural Drawing



Preliminary Floor Plan – Basement Floor

The lower level will contain enclosed parking for residents of the apartment tower.

- The underground parking will be serviced by a dedicated entrance off of Walnut Street.
- 112 enclosed parking stalls are planned for the lower level. A meaningful number of residents will be able to take advantage of this amenity.
 - Note that the remaining residents will park in the above-ground parking levels.
- The existing parking structure on the site contains one level of subterranean parking, greatly reducing excavation and site work costs.



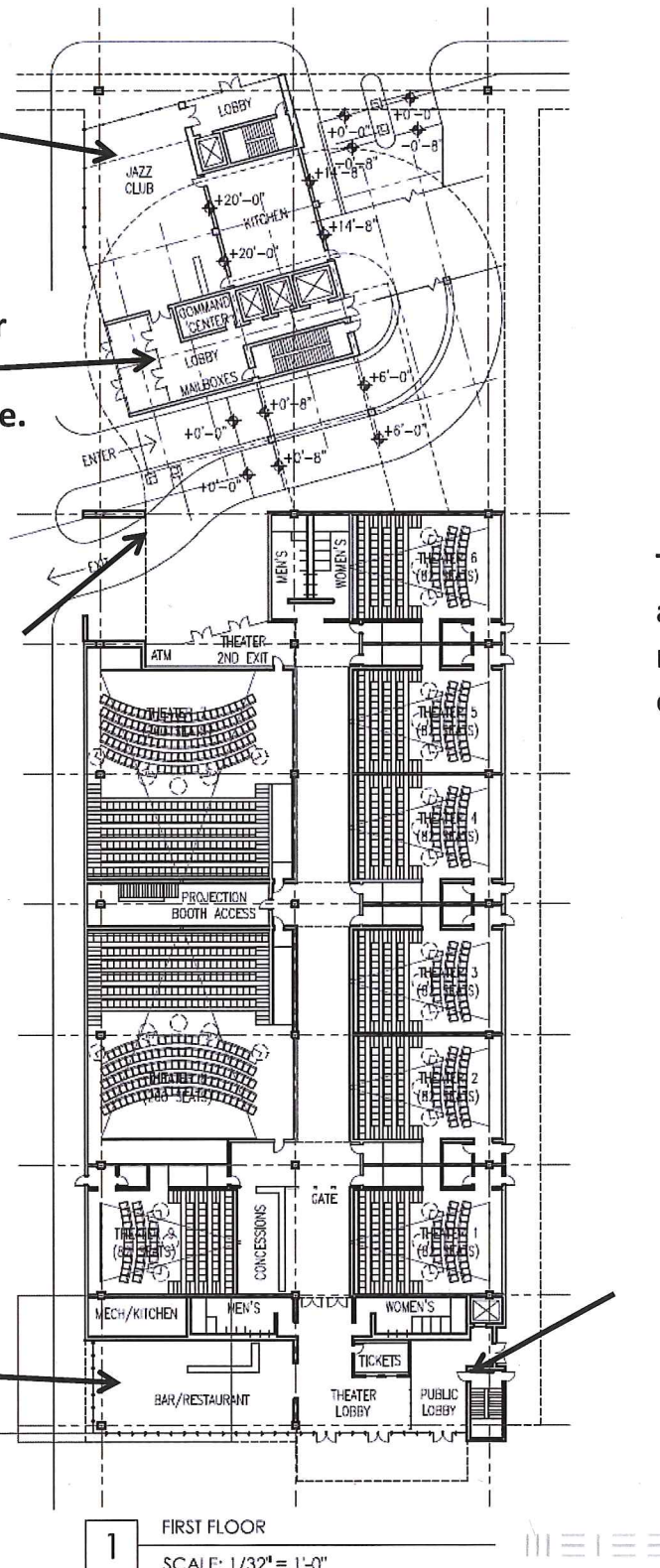
Preliminary Floor Plan – Ground Floor

The jazz club would be located in the northwest corner of the building.

The apartment tower lobby would be located off 5th Avenue.

The entrance to the above-ground parking garage would also be on 5th Avenue, and would circle around to get up to the first floor of parking above the theater.

Attractive restaurant and bar space accommodate outside customers as well as movie-goers prior to movie



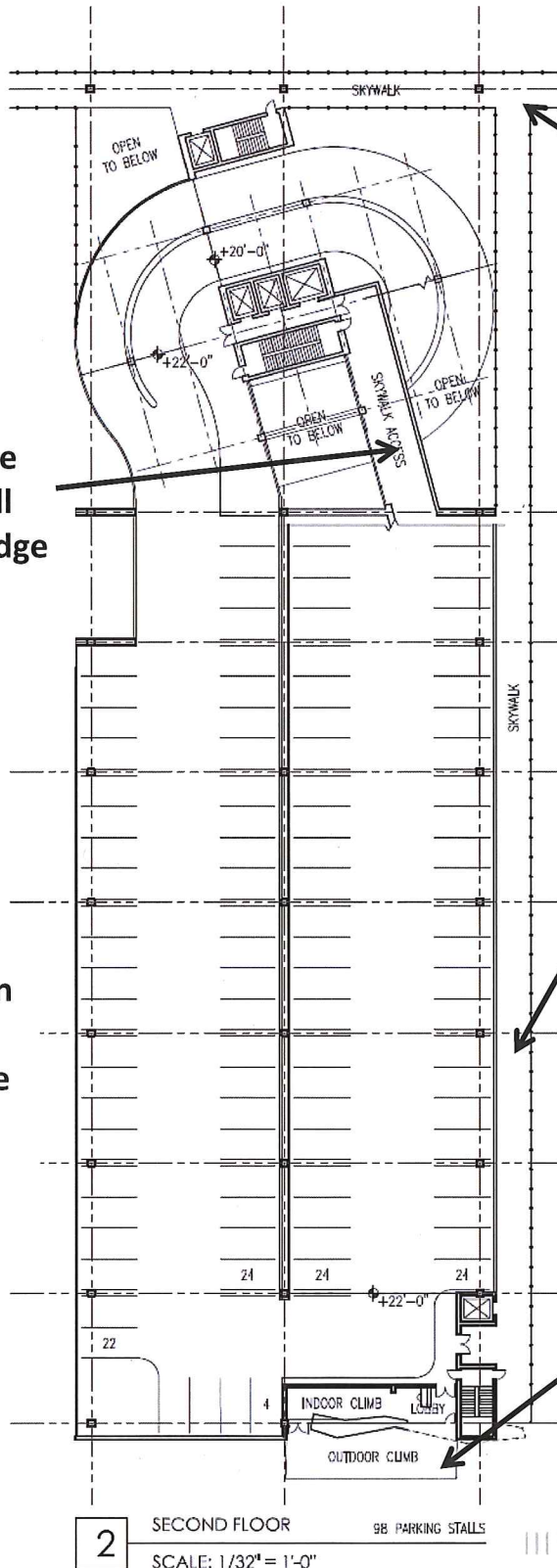
This design can accommodate 9 movie screens of varying sizes.

The theater lobby would be located off Court Avenue in the heart of the Entertainment District.

Preliminary Floor Plan – 2nd Floor

Skywalk access to the apartment tower will be provided by a bridge over the parking entrance ramp.

Skywalk construction cost will be included in the parking garage component of the Project.



Skywalk system provides pedestrian access from most major downtown office buildings.

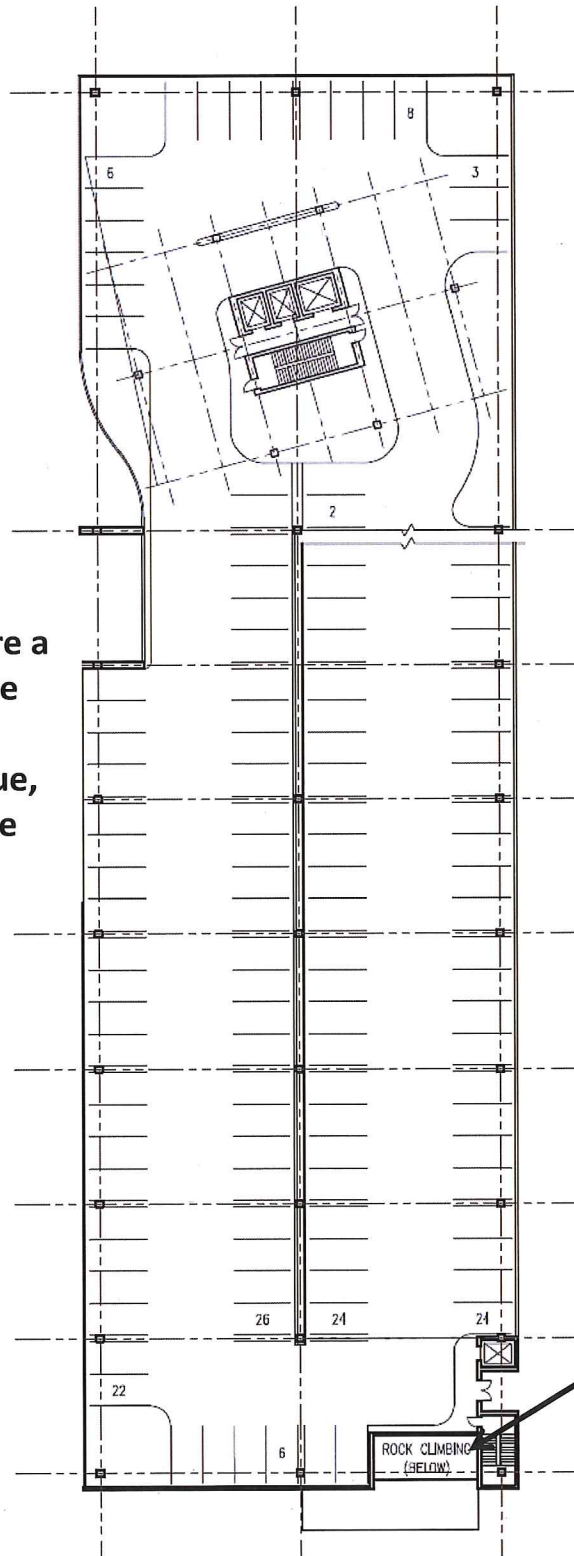
The skywalk will also extend south to Court Avenue, providing access to the movie theater and terminating across the street from the new Hy-Vee grocery store.

An indoor/outdoor rock-climbing facility is located on the skywalk level above the theater lobby.

Preliminary Floor Plan – Floors 3-5

117 parking stalls per level are planned.

The design will feature a level parking structure on the western half visible from 5th Avenue, and a sloped structure on the eastern half.

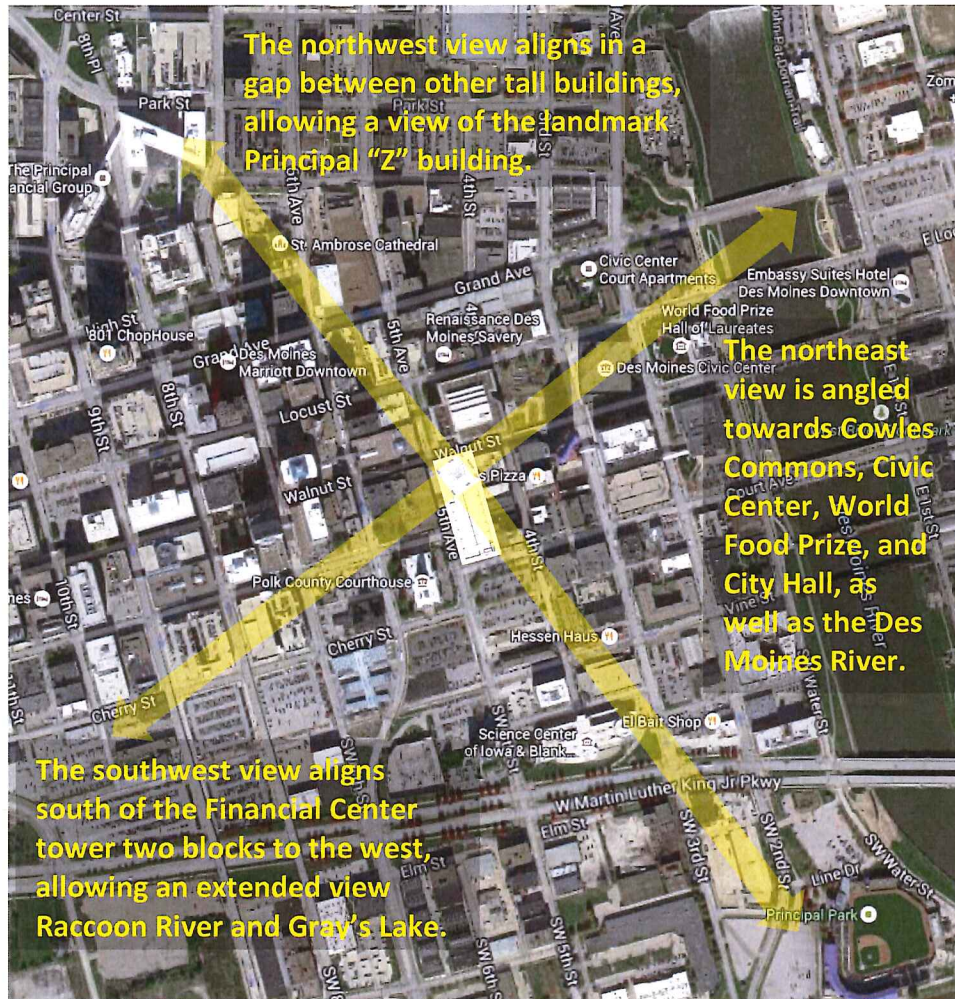


The rock climbing wall will extend up to the top of the parking structure and will be visible from the interior of the structure.

3 THIRD-FIFTH FLOORS 117 PARKING STALLS
SCALE: 1/32" = 1'-0"

Preliminary Floor Plan – Apartment Tower Layout

The apartment tower will be set at a slight angle to the downtown street grid, allowing for clean sight lines in all four directions.



- The angled tower design will provide premium views in all four directions.
- The offset placement also has a distinctive architectural look, creating a landmark residential property.

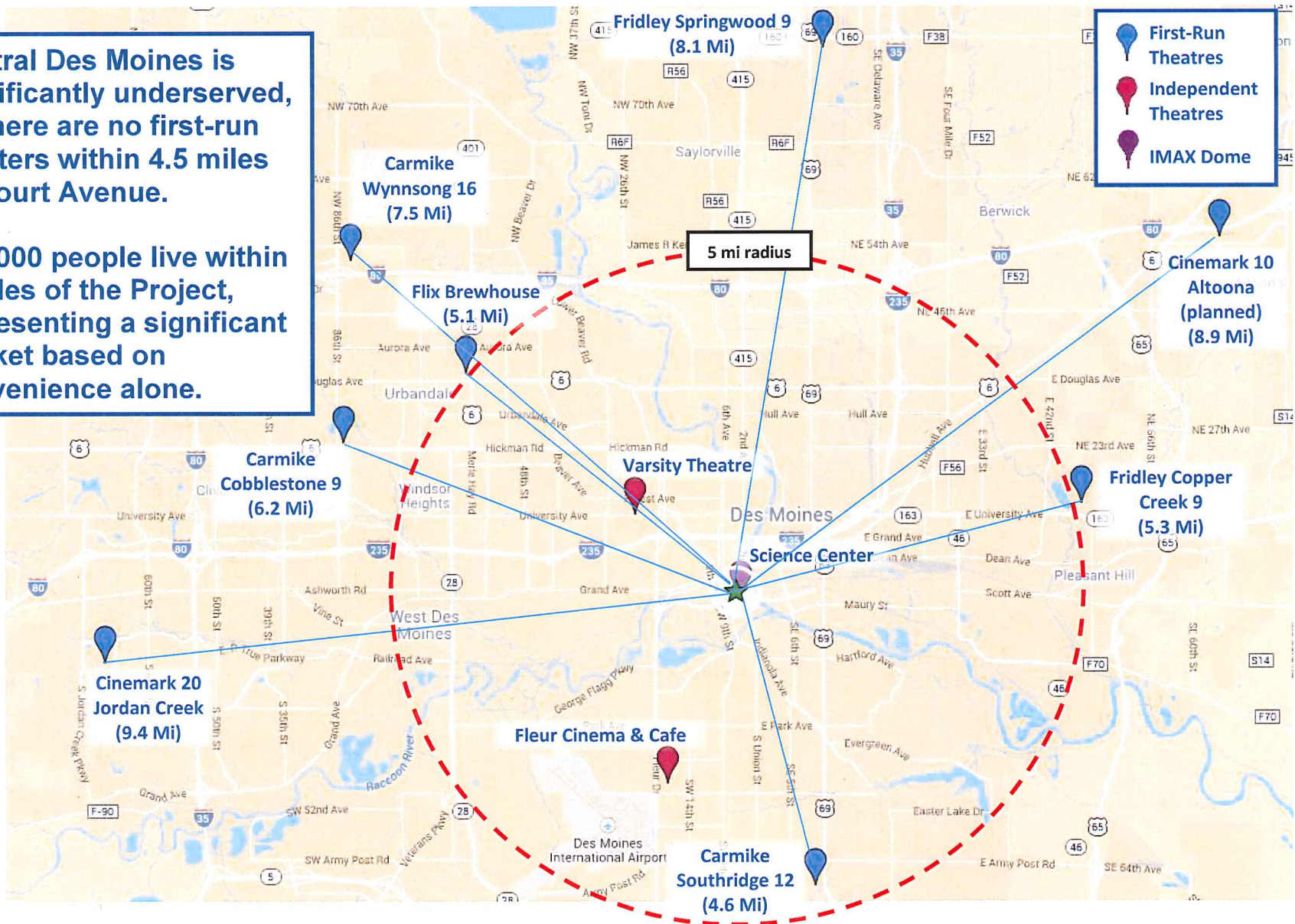


The southeast view features the Principal Park baseball stadium and the meeting of the Des Moines and Raccoon Rivers just beyond.

Downtown Represents the Prime Theater Opportunity

Central Des Moines is significantly underserved, as there are no first-run theaters within 4.5 miles of Court Avenue.

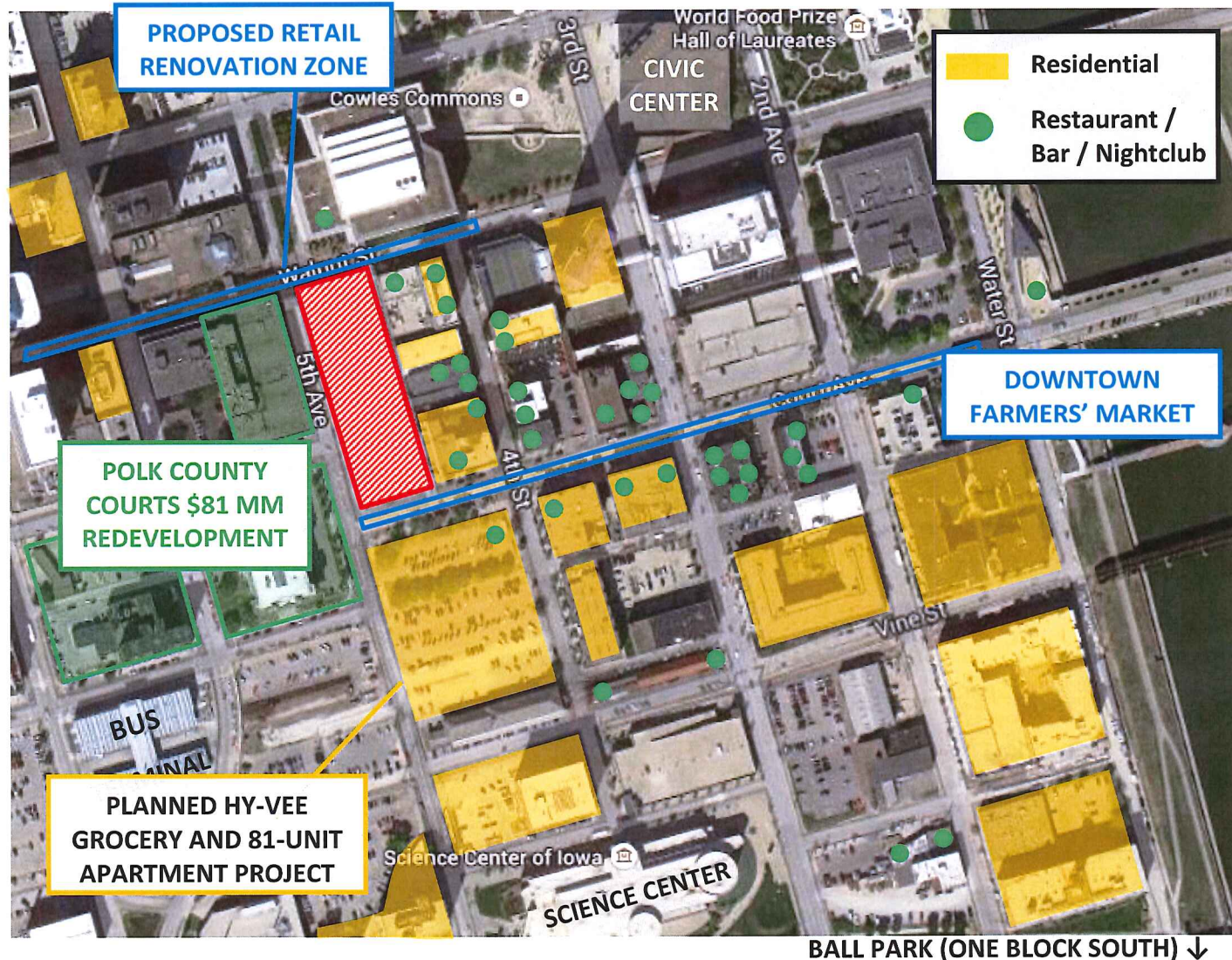
206,000 people live within 5 miles of the Project, representing a significant market based on convenience alone.



5th & Walnut is the Ideal Downtown Entertainment Site

5th & Walnut offers both strong foot traffic and a parking garage that can be utilized during weekdays.

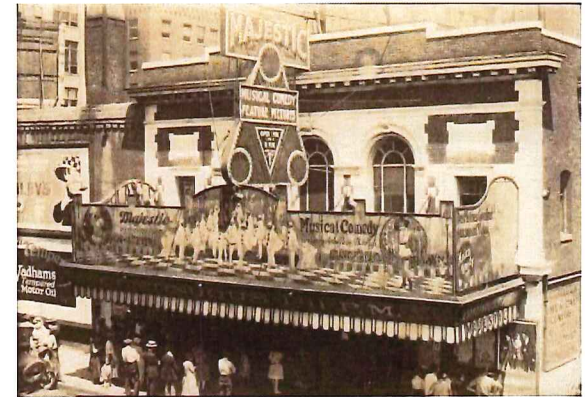
- Central location to downtown workforce and residents.
- In the heart of the city's busiest nightlife and entertainment district.
- Large, highly visible parcel that can accommodate a Class A movie theater with ample parking.
- Easy street access from I-235 and MLK.
- On the skywalk, providing direct access to CBD.



The Project Continues a Legacy of Downtown Movie Theaters

Downtown Des Moines has a rich movie theater history. Our Project would write the next chapter of this story as we once again bring the premier movie-going experience to downtown.

- The Nickeldom Theatre, opened at 614 Locust Street in 1905 by Kip Elbert and Jack Getchell, was one of only five motion picture theaters in the nation.
 - Renamed the Unique Theatre in 1908, and then rechristened the Strand Theatre in 1920 under A.H. Blank (closed 1953).
 - Elbert & Getchell opened several other theaters, including the Berchel (4th Street) in 1911, the Empress and the Majestic (both on 8th Street).
- A.H. Blank, who operated 75 theaters across the Midwest, opened the Des Moines Theatre at 6th & Grand in 1919 (demolished 1969), and the Capitol Theatre next door, which became the Paramount in 1929 (demolished 1979).
- Most recently, the River Hills / Riviera duplex theater at 2nd & Crocker, opened by R.L. Fridley in 1967, continued the tradition of a premier downtown movie theater.
 - Closed in 2001 and demolished in 2003 to make way for the Wells Fargo Arena.



Source: Lost Cinemas of Greater Des Moines



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Main Street Theatres is the Ideal Operator for Court Avenue

We are excited to have partnered with Main Street Theatres to bring the next generation of movie theater experience to downtown Des Moines.

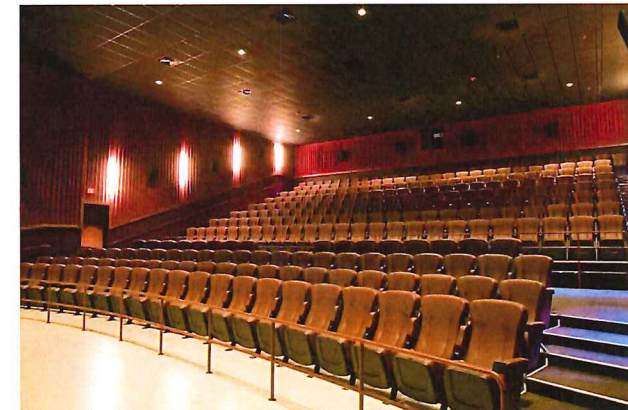
- Main Street Theatres is an Omaha-based company that owns and operates 48 screens in Nebraska and Iowa including the award-winning Aksarben Cinema in Omaha.
 - Main Street also provides film buying and consulting for an additional 31 theaters across the Midwest.
 - Aksarben Cinema won the **2015 Greater Omaha Business Excellence Award** from the Omaha Chamber of Commerce and was voted **Best Movie Theater** by Omaha Magazine in each of the last three years.

- Main Street Theatres is a family-run business started by Bill Barstow in 1989, after serving eight years in the U.S Air Force.
 - The Barstows will bring local operating expertise to create a dynamic cinema-based entertainment center which will play host to opening weekend parties for major releases and other special events.



Aksarben Cinema lobby view.

Brad Williams Photography



Aksarben Cinema theater view.

Brad Williams Photography

The Court Avenue theater will offer a premium movie experience with leather recliners, advanced audio and video technology, and a variety of beer, wine and freshly-prepared food.

Mandelbaum Properties is Impacting Downtown Des Moines

Mandelbaum Properties has completed multiple projects in downtown Des Moines. Helping to remake downtown has been a focus of ours for past 20 years. Major projects include:



Federal Courthouse Annex: 103,000 sf build-to-suit development, completed in 1995.

- Prominently located on east bank of the Des Moines River.
- Designed to serve as a bridge between neighboring historic government buildings and the city's vision for the future.
- Won in a competitive auction run by the General Services Administration.

DesMoinesArts: 164,000 sf conversion of vacant office and data facility into artist studios on the north side of downtown; acquired November 2014.

- Nonprofit formed to provide permanent affordable workspace to local artists.
- Will be among the largest artist studios buildings in the nation.
- Running a \$6.0 million capital campaign to fund renovations; garnered major support from business, community and government leaders.



Image credit: PUSHpixel

Contact Information

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