

Date February 24, 2014

SELECTION OF THE OPUS GROUP AS THE PREFERRED DEVELOPER OF
THE 7th STREET AND GRAND AVENUE PARKING GARAGE SITE

WHEREAS, the City Manager issued a Request For Qualifications ("RFQ") to identify qualified developers interested in redeveloping the City-owned Property, consisting of the current 7th and Grand Parking Garage site and the former YWCA site, for a mixed use project with replacement public parking, street and skywalk level retail or restaurant uses, and potential housing or commercial uses; and,

WHEREAS, responses to the RFQ were received from five development teams, and on July 29, 2013, by Roll Call No. 13-1235, the City Council approved the City Manager's recommendation to select the following development teams:

- The Opus Group, represented by Jeff Smith, Director, 1200 35th Street, Suite 206-11, West Des Moines, IA 50266
- Hubbell Realty Company, The Weitz Company, and BNIM, represented by Steve Niebuhr, Senior Vice President, 6900 Westown Parkway, West Des Moines, IA 50266
- Ryan Companies, OPN Architects, and The Excelsior Group, represented by Brad Schoenfelder, Vice President Development, 14001 University Avenue, Suite 300, Clive IA 50325

as qualified developers with a strong track record of developing and financing complicated, infill, mixed-use projects; and directed the City Manager to solicit more specific proposals from these teams through a Request for Proposals process; and,

WHEREAS, on October 21, 2013, by Roll Call No. 13-1684, the City Council approved a Request for Proposals which further defined the City's goals and objectives for the redevelopment of the Property and sought proposals consistent with those goals and objectives from the three selected development teams; and

WHEREAS, The Opus Group and the team lead by Hubbell Realty Company have submitted proposals for the purchase and redevelopment of the Property which are more specifically described in the accompanying Council Communication; and,

WHEREAS, the City Staff have reviewed the two development proposals and recommend the selection of The Opus Group as the preferred developer, with a development proposal consisting of 104 market-rate apartments, 12,150 square feet of skywalk and street level commercial space, 794 total parking spaces, and an optional extended stay hotel with 125 rooms, all as more specifically described in the accompanying Council Communication.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

★ Roll Call Number

14.0330

Agenda Item Number

53

Date February 24, 2014

-2-

1. The Opus Group is hereby selected as the City's preferred developer for the 7th Street and Grand Avenue Parking Garage Site.
2. The City Manager is hereby authorized and directed to negotiate with The Opus Group to refine and finalize their project design, to present the project to applicable boards and commissions, to finalize the project financing, and to prepare a formal development agreement for the purchase and redevelopment of the City-owned property for presentation to the City Council at a future meeting.
3. The City Council hereby gives notice that in the event the City Manager is able to negotiate a development agreement with The Opus Group for the purchase and redevelopment of the City-owned property upon terms acceptable to the City Council, the City Council would then declare its intent to approve the sale of the Property for redevelopment in conformance with that agreement at a future public hearing, unless a competing proposal that exceeds the standards established by that Agreement is received within a designated time period of not less than 30 days after publication of notice of the public hearing. Unless a competing proposal which exceeds the standards established by the proposed Agreement is received within such designated time period, it is the further intent of the City Council to take action at that public hearing to approve the sale to the Property to The Opus Group.

(Council Communication No. 14- 076)

MOVED by Hensley to adopt and include the following:
 1. Evidence of financial support consistent with the Developer's proposal
 2. Developer will submit a third-party market assessment

FORM APPROVED: demonstrating viability of the extended-stay hotel and the market-rate housing. 3. Developer will commission an appraisal for the housing component to determine if the proposed financial structure is achievable 4. Staff will report back to Council on the status of these items in the

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				✓
COLEMAN	✓			
GRAY	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
VOSS	✓			
TOTAL	6			1

MOTION CARRIED APPROVED
T. M. Franklin Mayor

CERTIFICATE next 45 days at a workshop.

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.

Diane Rauh

City Clerk