


COUNCIL COMMUNICATION

	Number:	21-426	Meeting:	October 4, 2021
	Agenda Item:	32	Roll Call:	21-1483
	Submitted by:	Erin Olson-Douglas, Development Services Department Director and John F. Tekippe, Fire Chief		

AGENDA HEADING:

Receive and file proposal from Central Iowa Shelter & Services (CISS) to redevelop the City-owned property located at 106 12th Street in downtown Des Moines and directing staff to negotiate details of a redevelopment proposal.

SYNOPSIS:

CISS (Melissa O’Neil, Chief Executive Officer, 1420 Mulberry Street, Des Moines, IA 50309) has presented a development proposal for the new construction of 65 apartments to be built in conjunction with CISS supportive services within the building. CISS would place 24 one (1) bedroom units for sober living tenants within the proposed development and explore the potential to have activated first floor commercial space for lease.

The 2.4-acre City-owned property was acquired from the Norfolk Southern Railroad for the SW 11th and Market Shuttle Park and Ride project, but the project did not move forward, and has since been declared as excess property that can be sold for private development purposes. An appraisal will be necessary to determine the fair market value of the land. The subject property at 106 12th Street was identified in the “CISS Mulberry Street Corridor Real Estate Study” as a site that was conducive for a mixed-use housing development with an affordability component included.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- CISS has been in existence since 1992, with a mission to provide low-barrier shelter, meals and support services at no cost to adults experiencing homelessness and to facilitate their move toward self-sufficiency. Approximately 2,000 women and men experiencing homelessness have received emergency shelter and supportive services to help them move beyond homelessness each year.
- In September 2012, CISS opened its new facility. The facility grew from being 8,000 square feet and 96 beds to 207 beds and 42,000 square feet. It is equipped to provide expanded emergency shelter; expanded transitional housing for Veterans; and Section 8 Project-Based Voucher efficiency apartments. Along with expanded housing capacity, CISS also provides an on-site health clinic, food pantry, clothing closet, classrooms, and a 30-foot growing dome.

The facility is currently expanding to provide an additional 24 studio apartments to individuals experiencing long-term or chronic homelessness and has plans to expand the greenhouse operations on the CISS campus to continue to provide additional food security options to residents in need.

- CISS hired a consultant to draft the “Mulberry Corridor Real Estate Study”, which was a private study that was completed in 2020. This study contemplated a multi-story mixed-use residential development with first floor commercial space on the 106 12th Street site.
- The City acquired the subject property from the Norfolk Southern Railroad for the SW 11th and Market Shuttle Park and Ride project in 2001. After further study and examination of changes in downtown development and commuter patterns, it was later determined that the park and ride facility would no longer be necessary, and the project was terminated. The largely vacant land has since been declared as excess property that can be sold for private development purposes. There is a small surface parking lot on the northeast corner of the site with short-term parking lease arrangements in place. City staff from the Real Estate Division will notify the parking lessees in advance of a future closing date with CISS to give the tenants adequate time to find alternate parking arrangements.
- Once a more detailed redevelopment proposal has been received, staff anticipates commencing negotiations on the terms of an Urban Renewal Economic Development Agreement and land sale in early 2022.
- Land sale and Urban Renewal Economic Development processes will be in compliance with Iowa Code section 403.8(2).

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Board and Commission reviews as necessary for approvals of financial incentives, conceptual development plans, site acquisition, site plans, and other items to accommodate the development.
- The City will execute a development agreement which requires the Developer to submit final design plans, have an approved site plan, and provide evidence of financing to the City Council prior to approval of the property transfer.

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