


COUNCIL COMMUNICATION

	Number:	23-043	Meeting:	January 23, 2023
	Agenda Item:	17	Roll Call:	23-0105
	Submitted by:	Matthew A. Anderson, Deputy City Manager		

AGENDA HEADING:

Approval of Four Party Funding Agreement – Tuttle Street, SW 12th Street to SW 14th Street – Blackacre Development, LLC (Krause+), HCR NFS I, LLC (Hubbell), River Point West, LLC (Sherman), and the City of Des Moines.

SYNOPSIS:

Recommend approval of the funding agreement to reconstruct Tuttle Street between SW 12th Street and SW 14th Street. There are three (3) property owners with property adjacent to Tuttle Street: Krause+, Sherman, and Hubbell. In an effort to organize construction efforts to prepare the road for pending development, the City has agreed to build and fund the road this spring, with the adjacent property owners agreeing to pay back the cost of the road over three (3) years.

FISCAL IMPACT:

Amount: The anticipated net fiscal impact is \$0. There will be an upfront City expense of \$1.7 million (estimated) and City revenue of \$1.7 million reimbursement. The cost to the three (3) property owners will be calculated based on linear feet of Tuttle Street frontage. Payments from the three (3) property owners will be made over three (3) years: January 2023; January 2024; and January 2025.

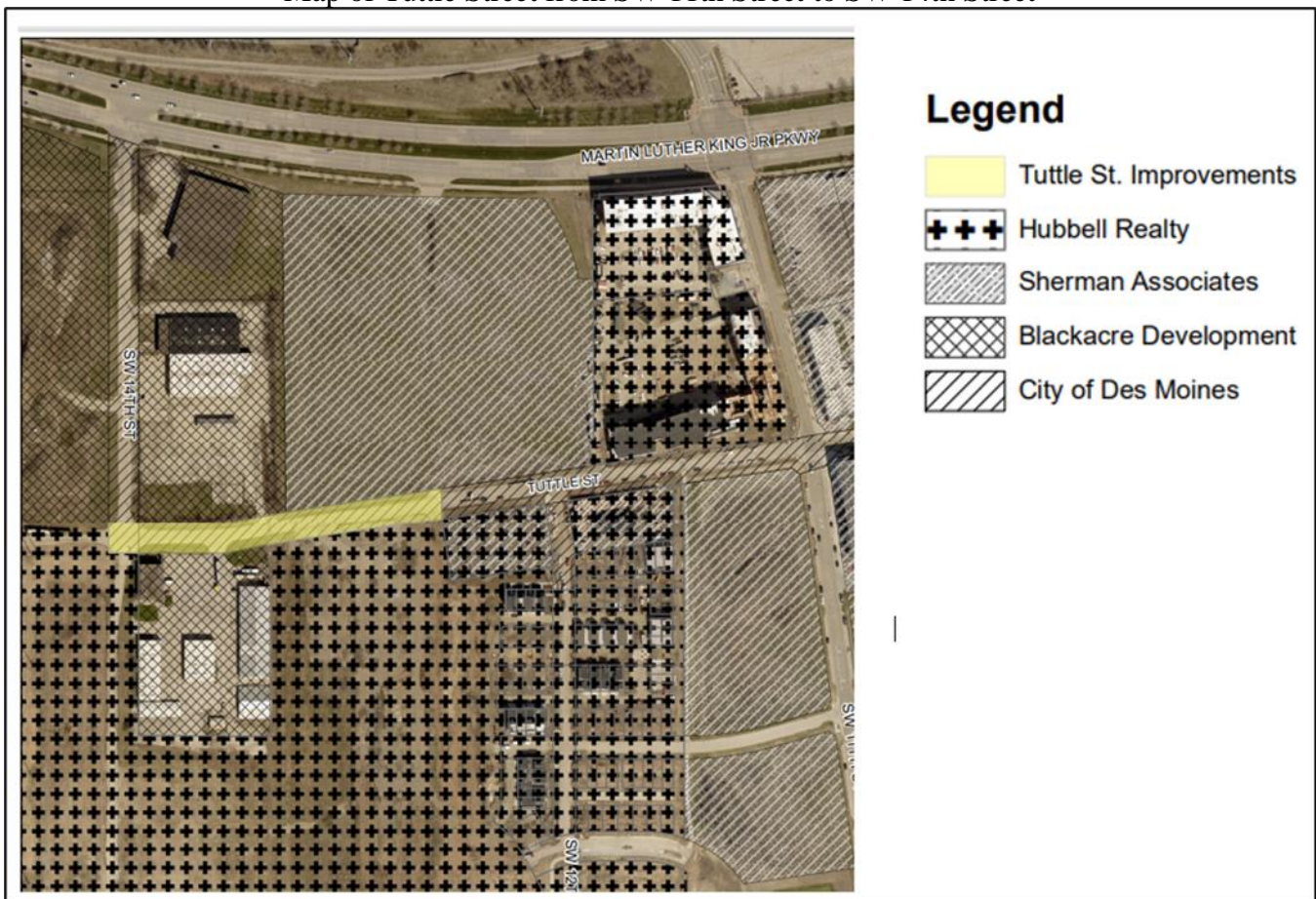
Funding Source: 2022-2023 CIP, Page 149, Tuttle Street Improvements, ST296.

ADDITIONAL INFORMATION:

- The engineer's estimate for the road project is \$1.7 million. The first payment (in January 2023) from the property owners will be based on this estimate. Future payments (in January 2024 and in January 2025) will be based on actual cost.
- If the first payment is not received from the three (3) adjacent property owners, the project will not be awarded (anticipated February 20, 2023).
- The cross section of Tuttle Street will approximately match the existing cross section already constructed from SW 11th Street west to approximately SW 12th Street. Tuttle Street pavement shall be 37-feet back of curb to back of curb with two (2) 10-foot wide travel lanes, two (2) 8.5-foot wide parking lanes, and a cycle track within a 75-foot wide right-of-way.

- The three (3) property owners own a total of approximately 89-acres on the north and south sides of Tuttle Street, west of SW 11th Street. The breakdown:
 - Blackacre – about 18 acres
 - Hubbell – about 52 acres
 - Sherman – about 19 acres
- Construction will commence in spring 2023. The roadway will be reopened by December 2023, and restoration will be complete by June 2024.
- The segment of Tuttle Street between SW 14th Street and SW 16th Street will be assessed. That process is planned to begin in 2023.
- The eventual completion of Tuttle Street from SW 12th Street to 16th Street will provide east/west continuity for the Riverpoint West area and provide north/south connections at SW 11th Street, SW 14th Street, and planned at SW 16th Street, as part of the Krause+ development.

Map of Tuttle Street from SW 11th Street to SW 14th Street



PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Ordering construction – City Council - anticipated January 23, 2023
- Consider award – City Council - anticipated February 20, 2023

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