


# COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	<b>24-081</b>	Meeting:	<b>February 19, 2024</b>
	Agenda Item:	<b>31</b>	Roll Call:	<b>24-0256</b>
	Submitted by:	<b>Cody Christensen, Development Services Director</b>		

## AGENDA HEADING:

Resolution accepting development proposal from Gold Cap Development, Sidekick Development, and Wade Investments and directing staff to negotiate preliminary terms of an urban renewal development agreement for the development of the City-owned site at 401 Robert D. Ray Drive.

## SYNOPSIS:

The Office of Economic Development issued a Request for Proposal on December 20th for the City-owned property at 401 Robert D. Ray Drive. Two (2) submissions were received by the February 1, 2024 deadline; and staff recommends proceeding with the proposal submitted by the Gold Cap Development, SideKick Development, and Wade Investments team. This proposal is for a mixed-use project that provides the desired density, vibrancy, and activation well suited for the East Village context.

## FISCAL IMPACT:

Not yet available, staff will proceed to negotiate preliminary terms.

## ADDITIONAL INFORMATION:

- The development team has a strong background in commercial, retail, and multifamily development with expertise in hospitality-centric mixed-use developments. The in-house hospitality component of Gold Cap's team ensures a dynamic tenant will anchor the street-level space.
- Following direction from City Council, staff will negotiate preliminary terms of an urban renewal development agreement that will further refine details of the conceptual proposal.
- Sustainability, affordability, and design details that enhance the East Village are among those items which will be included in preliminary discussions and the terms that will come before Council at a future date. Following direction from City Council, staff will negotiate preliminary terms of an urban renewal development agreement that will further refine details of the conceptual proposal.
- The second proposal was received from Cutler Development, LLC. The Cutler team is developing a strong track record of in-fill development. Their proposed financing model centers around nine percent (9%) low-income house tax credits. The nine percent (9%) competitive credit has been

proven extremely difficult to secure in downtown Des Moines. Staff recommends continuing to work with Cutler Development to find alternative sites for their mixed-use concept.

**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- City Council – Preliminary terms of urban renewal development agreement, final terms of urban renewal development agreement, and certificate of completion.
- Urban Design Review Board – Preliminary design review, final design review, and recommendation of the project's financial terms.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).