Council Communication
April 11, 2022 City Council Meeting

Department: Community Development	Resolution No. 22-_____	City Council: April 11, 2022

Subject/Title

Playland Park (River's Edge) Neighborhood Request for Proposals – Resolution rejecting submitted proposals and authoring the Community Development to re-advertise for new proposals.

Background/Discussion

Background

On February 14, 2022, the Council Bluffs City Council approved Resolution No. 22-48 which authorized the Community Development Department to release a Request for Proposals (RFP) for the following six parcels of land in River's Edge Subdivision:

- Parcel A: Block 1, River's Edge Subdivision (1.72 acres)
- Parcel B: Lot 2, Block 3, River's Edge Subdivision, Replat 2 (.81 acres)
- Parcel C: Block 4, River's Edge Subdivision (.86 acres)
- Parcel D: Lot 1, Block 5, River's Edge Subdivision, Replat 2 (.75 acres)
- Parcel E: Lot 3, Block 5, River's Edge Subdivision, Replat 2 (.35 acres)
- Parcel F: Lot 2, Block 5, River's Edge Subdivision, Replat 2 (.42 acres)

The purpose of the RFP was to find a qualified developer/development team to build a mixture of condominiums, multi-family apartments, mixed commercial/residential structures, and/or townhomes on the above six lots, in accordance with the adopted River's Edge Master Development Plan.

Discussion

On February 15, 2022, the City released the River's Edge RFP through their IonWave online bidding portal, as well as, directly emailed it to approximately 50 real estate developers/brokers throughout the Council Bluffs-Omaha Metropolitan Area and Midwest region. The advertisement was active for at least 30-days (March 25, 2022), as required by Iowa Urban Renewal laws. A total of two responses were received by the City. The first response was a letter from Broadmoor stating they are interested in developing the subject properties, but have a different vision for how these parcels should be developed as compared to the adopted River's Edge Master Plan (see Attachment A). Specifically, Broadmoor prefers to develop Parcel A: Block 1, River's Edge Subdivision with apartments, as opposed to, the condominium tower(s) shown in the adopted River's Edge Master Plan. The second response was from Baxter Development whose proposal includes a 200-unit apartment building, to be known as Moselle on Parcel A, along with 54 townhomes and 25 rowhouses throughout Parcels B-F. Baxter Development's total estimated project costs are $60 million and they are requesting TIF and/or a special tax assessment in order for their project to be financially viable.

From 2017 through 2021, the City had signed agreements with the firm "Argent", then later "Argent-Baxter", to develop Parcel A. Argent's original development proposal was to build two residential towers (one with apartments and one with condominiums) on the property; however, they were unable to move forward with the project due to bank financing and not being able to "pre-sell" a certain percentage of the condominium units. The City and Argent then renegotiated and transferred the agreement to an associated firm known as, Argent-Baxter, so they could develop the property with one 13-story residential building that included 210 apartments and 24 condominium units. The City ultimately had to terminate this agreement due to lack of performance by Argent-Baxter.

The Community Development Department and the Mayor's office have reviewed Baxter's proposal and recommend it be rejected, and that City Council direct the Community Development Department to re-advertise a separate RFP for Parcel A and a separate RFP for Parcels B-F, in order to attract a wider range of development interest for these properties.

Staff Recommendation

The Community Development Department recommends rejection of the bid from Baxter Development, and directing the Community Development Department to prepare and re-advertise a separate request for proposals for Parcel A, and Parcels B-F, River's Edge Subdivision, and being more particularly described above.

Attachment A: Broadmoor Letter
Attachment B: Baxter Development proposal

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