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River Bend destined for youth-oriented center

By [Kent Darr](#) | Senior Staff Writer

The city of Des Moines has scrapped a requirement that Children and Family Urban Movement include a housing component as part of the organization's plans to build a new headquarters in the River Bend Neighborhood.

Instead, it appears that about 1 acre of land that would have been occupied by affordable housing will shift toward another nonprofit group that has yet to present a firm development proposal to the city.

Developer Jake Christensen is leading the effort to gather CFUM's operations under one roof from scattered locations. The organization's mission is to create a community that supports the potential of children, youth and families through educational success, healthy living and community engagement, according to a city staff report to the city's Urban Design Review Board. It involves neighborhood churches in delivering a range of services, and it wants a permanent home.

Plans presented this week to the city's Urban Design Review Board call for a \$4.5 million, two-story building on a little more than 1 acre of land at 915 College Ave., the former site of Dowling High School. The new building would have classrooms, office space, a kitchen and a food preparation area, a market for donated food, student workspace, and a green space for outdoor recreation.

Architect Greg Wattier said the building is being designed to fit the architecture of the historic neighborhood, where porches are predominant on homes and brick and steel appear to have been the order of the day on retail buildings. The city's Historic Preservation Commission will review the project on Jan. 17.

Last year, the Des Moines City Council passed a resolution encouraging housing on the CFUM site, which is located on property that is currently owned by the city and in early plans totaled slightly more than 2 acres.

Christensen and developer Jack Hatch previously presented concepts to the Urban Design Review Board for two multifamily buildings on the site.

However, the plans apparently ran afoul of efforts by another nonprofit, Pillars of Promise, to obtain all but 1 acre of the property as part of a plan to redevelop about 9 acres of city-owned land that also includes the Grubb YMCA and Brian Melton Field.

Pillars of Promise has declined to discuss specifics of its proposals. However, it has met several times in recent months with city officials to discuss the project in the abstract.

Pillars of Promise is based in Des Moines and was organized in May, according to a filing with the Iowa secretary of state's office. Its mission is to "fight intergenerational poverty in radically new ways," according to its website.

The group has the support of individuals affiliated with Principal Financial Group Inc., Ryan Cos. US Inc., RDG Planning & Design, Lutheran Church of Hope and the Evelyn K. Davis Center. A broad view of Pillars of Promise is to preserve or rebuild the Grubb YMCA and include a multipurpose community space.

According to its website, Pillars of Promise is "focused first in a disadvantaged area of north Des

Moines impacting five neighborhoods. Its vision is for this initial project's success to serve as a model that may be replicated in other neighborhoods in Iowa's capital city, expand to other cities in the state, and around the nation."

The Hatch project was dropped from the CFUM development this fall, leading to a heated exchange between the former state senator and gubernatorial candidate and city officials during a Greater Des Moines Partnership forum on affordable housing.

Christensen said during the recent Urban Design Review Board meeting that the city could make housing another component of the overall development of the area if the state's 5th Judicial District, which operates parole and other services from buildings that front Jefferson Avenue near Ninth Street, decides to leave its property, which would make the land available for housing.

Though CFUM will buy the necessary 1 acre for its development from the city, it will allow the city to buy back a slice of the northern end of that parcel if the 5th Judicial District property becomes available.



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D.M. council adopts program to combat blighted properties

By Kent Darr | Senior Staff Writer

In the longtime throes of battling decay in some neighborhoods, the city of Des Moines will provide a financial incentive to private and nonprofit groups that agree to rehab blighted properties.

The Des Moines City Council agreed Monday to spend up to \$100,000 in the first year of the Blighted Property Rehabilitation Program, which will fall under the purview of the Community Development Department. The program is among a series of efforts city officials have launched to improve housing stock in neighborhoods.

In 2010, the U.S. Census counted 2,100 vacant housing units in the city. The 2012-2016 American Community Survey 5-Year Estimates placed the number at 3,385.

"The problem is pretty extensive," said Amber Lynch, an urban planner in the Community Development Department who has been at the center of efforts to improve neighborhoods.

The hope is that the new program will trigger more inquiries from developers and investors who are interested in rehabbing the properties, Lynch said.

Interested parties would receive financial assistance for projects involving the acquisition, demolition and/or rehabilitation of vacant, abandoned and/or blighted residential properties, according to a staff report to the City Council.

The city manager can approve up to \$50,000 per project, while projects that exceed that amount would need City Council approval.

Projects receiving a financial incentive would have to be completed within 10 to 12 months of the date a contract is signed, with the potential for a six-month extension.

"It's a baby step in the right direction," Lynch said.

Rehabilitation funds have been available under the city's capital improvements program for the last several years, but finding interested investors and developers typically has resulted from issuing a request for proposals. The new program could bring those investors and developers to the city's doorstep.

"Right now we have a short list of developers or investors on the private side and nonprofit side that work with us frequently and are aware that we have had some funding available," Lynch said.

The funds for those projects typically came out of federal community development block grants and were controlled by federal guidelines. The blighted properties program could be more streamlined because it will be under local control, Lynch said.



MEMBERSHIP EXCLUSIVE CONTENT

Airport's new restaurants, shops busy, could help bottom line

By Perry Beeman | Managing Editor

Des Moines airport officials report brisker business at the terminal's bars, restaurants and gift shops since a major makeover in the past year.

We took a tour with airport Executive Director and General Manager Kevin Foley a while back to see the new offerings.

DSM Concessions LLC (part of Aero Service Group Inc.) now runs the food and beverage concession, with Hudson Group Retail LLC running the news and gift shops.

Foley said travelers, those waiting to pick up passengers, and even airport employees have shown up in larger numbers.

It wasn't uncommon to see little use of the old bar area near the ticket counters, before you got to security. Now, that comfort-food restaurant and bar, Berk & Chester's, often has dozens of people grabbing a beer or a meal.

"This is a sit-down restaurant," Foley said. "Wait staff will come and wait on you. It's a full-service bar that is visible. Before, the bar was hidden. You couldn't see it. You couldn't find it."

Des Moines isn't a hub, so typically the restaurants haven't done the business that comes with travelers during a layover. But this restaurant is getting some traffic from travelers. "We see people who are outbound and they have luggage in tow and they stop here and eat before they go through security," Foley said. "There is considerably more traffic through here than there was."

Next door is a Hudson Group gift shop. The company has operations in about 70 airports, Foley said. "There is very little business pre-security at airports anymore, but you still have to have a presence," Foley said. The shop decided against bidding on an additional 700 square feet that was available. That went for the next-door bar.

Hudson decided to do a design along the top of the facade that starts with farming on one end, shows the Trestle Bridge, and then moves on to the Des Moines skyline. It might be more of a secret than intended. "No one notices," Foley said with a laugh.

A corner bar beyond the security check ended up being so popular that the airport briefly considered scrapping plans to turn it into a grab-and-go. Foley said the bar was highly visible — it took in \$6,000 in one Friday — and travelers packed the sitting area next to it. In the end, the airport changed the bar back to a grab-and-go food stop, Mill Supply.

Not far down the A concourse, Arugula and Rye — which is near a newish set of phone-charging stations — offers a deli with a salad bar, oatmeal bar, and flatbreads made to order. Wine and beer are served, too, some in stackable cups.

The most recent addition was Portermill, a large restaurant and bar with Iowa craft beers and some wide views of the airport runway areas. And, hey, the airport is all about flights — in this case, beer flights. Portermill is focusing on locally sourced and sustainable ingredients. A full bar offers a range of wines and cocktails.

The food and beverage operations are part of a new approach that grew out of airport officials' frustration that previous vendors weren't improving the spaces as required. "The passenger experience was not what we wanted, and it didn't represent Central Iowa or Iowa the way we thought it should," Foley said. "The landside bar wasn't inviting."

The airport decided to take on more risk, which also opens the possibility of higher income from the operations.

"We run food and beverage now," instead of just taking a percentage, Foley said. "We contracted with Aero Service Group (of Minneapolis) to run it. We are not restaurateurs. They had been running Friedrich's and Bergin Fruit & Nut Co. at the airport.

Airport officials expect to take in an additional \$1.2 million on the food and beverage. "We had been making \$700,000" a year, Foley said. "Even if all we do is make the same amount of money we were making on this, we are controlling the passenger experience and the image of the airport and of Central Iowa to a much greater degree."

He continued: "We have to pay for the construction. That's why we made the change. The private sector said to get that return of 15 percent, they would need 10 years." Companies wanted the airport to buy back the unamortized portion of the construction costs if the deal was under a decade. Foley figured the airport might as well have a crack at the upside of the sales if it was going to be exposed to the downside anyway.

The remodeling of the food and beverage areas cost \$1.5 million, which the airport will pay back over a couple of years. The management deal is for five years, with renewal possible.

A Hudson gift shop next to the gate areas has Iowa-themed T-shirts, Garnavillo-based Great Maple Syrup, Field of Dreams memorabilia and other Iowa-related items.

The airport also has changed out its advertising contracts for the walls. "We made them take the wraps down and, as I say, 'If you wouldn't put it in your living room, you don't get to put it in the terminal,'" Foley said. Tension fabric displays took over most of the spots, with backlighting. "It is relatively inexpensive to put up, but it just makes everything pop," Foley said. "It's so much brighter." Clear Channel Airports is selling the space under contract for a percentage.

The airport makes a tad over \$300,000 a year on advertising. "Every little bit helps," Foley said.

Much of the advertising is for colleges and universities. Gone is the Templeton Rye display, which Foley said ran through its contract, and was taking up room needed for seating.

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LOCAL NEWS

Ankeny neared another record for building permits last year

The city of Ankeny issued building permits with a valuation of \$337 million last year, the second-highest amount on record and the fourth consecutive year in which permits have added up to at least \$300 million in construction activity. Taxable commercial construction was \$95 million, with total commercial activity at \$102.8 million and adding up to 1 million square feet of commercial and industrial space. Residential valuation was \$228.8 million, with 567 single-family homes, 174 townhomes/condos and 365 apartment units. This was the second-highest year on record for residential growth. A mix of large, medium and small businesses relocated, expanded and remodeled. The city annexed 224 acres and platted 687 lots. All annexation was voluntary. The city issued 2,597 permits, second to a record set in 2016 when 2,719 permits were issued. Projects included the Hy-Vee/PDI expansion, Opus warehouse, Graham Group distribution center, three new hotels and overall growth in Prairie Trail. Follow these links to read about construction activity in [Johnston](#) and [Waukee](#).

Tyler Dingel named senior vice president at CBRE|Hubbell Commercial

Tyler Dingel has been promoted to senior vice president with CBRE|Hubbell Commercial. The title was earned by achieving industry-leading production thresholds established by the CBRE national office, according to a release. Dingel and his team have arranged more than 375 commercial real estate transactions valued at more than \$500 million since 2012. Dingel has earned numerous industry awards, including the F.M. Hubbell Production Award from 2009 to 2017, the Iowa Commercial Real Estate Association's deal of the year in 2010 and 2014, ICREA's broker of the year in 2014, and CBRE|Hubbell Commercial's top producer award in 2014. He is also well recognized as a leading retail broker, with transaction volume that has placed in CBRE American's top 30 retail brokers. He currently is the board president and a mentor for Big Brothers/Big Sisters of Central Iowa.

Partnership: Work on year-round market will pick up in '18

A key official with the Greater Des Moines Partnership said planning for a year-round public market and urban farm will pick up this year despite questions over the future of one of the leading sites, the eastern half of Kaleidoscope at the Hub. Tim Leach, senior vice president of downtown development, said a site hasn't been chosen for the market, and fundraising hasn't started. But he expects action this year, with the help of the city, the county and Christensen Development. Also among the options is building the market rather than placing it in an existing building, Christensen Development President Jake Christensen said. Blackbird Investments will acquire that part of Kaleidoscope in a swap with EMC Insurance Co. for 701 Walnut St., the former Younkers site where Blackbird had planned a tower development. The companies did not divulge their plans, and Leach said he has no information about the future plans.

Office supplier Storey-Kenworthy plans warehouse expansion

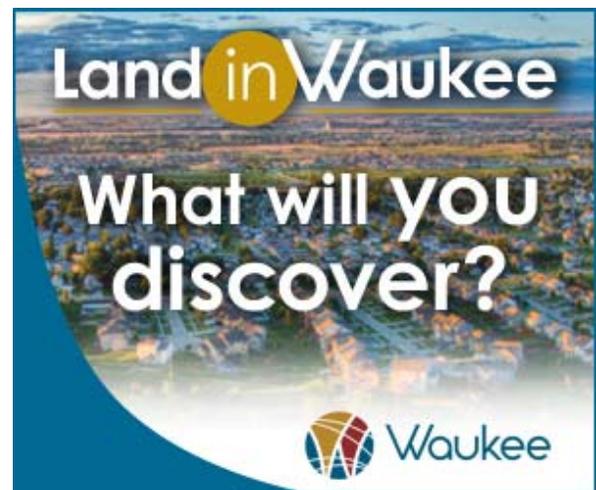
The Des Moines City Council has the preliminary terms of a development agreement under which Storey-Kenworthy Co. would build a 60,000-square-foot, high-cube warehouse on what is now city-owned land in the Central Place Industrial Park that is north of East University Avenue and east of the Des Moines River. Storey-Kenworthy is working with developer Todd Mendenhall

on the \$3.9 million project. The company plans to consolidate warehouse operations in the new building, which adjacent to its corporate headquarters and showroom at 1333 Ohio St. The city will sell the land for \$210,000 and return the proceeds to the developers in the form of a forgivable loan. The city also will provide a \$200,000 economic development grant and match up to \$25,000 for any possible environmental remediation. The majority of the city's incentive package is related to the expense of shoring up the foundation for the warehouse, possibly with the use of geopiers, because of soil that was made relatively unstable because of the presence of old construction and demolition debris.



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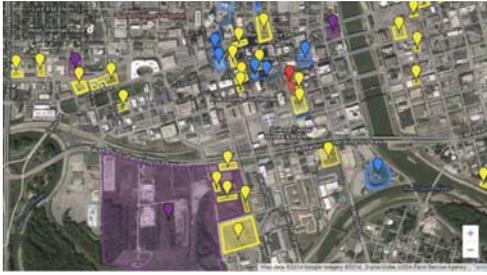
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where you can zoom in and out and click the different icons to learn additional information about the projects. We'll be continuing to update the map with projects in the central business district as they happen.

Have a project or an update that you'd like to see added to the map? Email kentdarr@bpcdm.com with details.

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