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Executive Council of Iowa

CAPITOL BUILDING
DES MOINES, IOWA 50319
PHONE: 515 281-5368
FAX: 515 281-7562

August 7, 2023

Mr. Adam Steen
Director
Iowa Department of Administrative Services
Hoover Bldg.
L O C A L

RE: Purchase of 6200 Park Avenue, Des Moines, IA

Dear Mr. Steen:

The Executive Council, in a meeting held on this date approved your request to proceed with the purchase of a fully furnished and move-in ready office building at 6200 Park Avenue, Des Moines, IA. The purchase price is not to exceed the asking price of \$18,000,000.00.

If you have questions or comments regarding this matter, please do not hesitate to contact me.

EXECUTIVE COUNCIL OF IOWA

Victoria Newton

Victoria Newton
Executive Secretary

Building Purchase Analysis – August 7, 2023

Request:

The Department of Administrative Services is asking for a vote to approve the purchase of a fully furnished and move-in ready office building at 6200 Park Avenue, Des Moines, IA. This new state office building would house the newly aligned Department of Inspections, Appeals and Licensing (DIAL) as well as the Department of Natural Resources staff currently housed within the Wallace Building.

Purchase of this building allows for the newly aligned DIAL to be located in a single space versus three separate buildings, and allows for the realization of a single one-stop-shop for professional licensing a full year earlier than if existing capitol complex buildings were renovated. The building is proposed to be purchased using one time ARP funds, with the purchase price not to exceed the asking price of \$21,270,600. Purchase of the building is estimated to result in a total cost savings to the state ranging from \$42,500,000 to \$55,700,000 when compared to other options for renovation or replacement of the Wallace Building.

Personnel from the Iowa Department of Agriculture and Land Stewardship currently housed at the Wallace Building would be relocated into newly renovated spaces within the Hoover Building. The ultimate disposition of the Wallace Building would be discussed and determined in conjunction with the legislature, however, initial estimates indicate that the cost to demolish the property would be recouped through the potential sale of the land on which it sits.

Wallace Building Background:

- 187,615 Building Rentable Square Feet (RSF)
- 52,503 of the 187,615 RSF was previously lab space and is used solely for storage as the space is not conditioned for office space without major renovation.
- Total rentable office space is 135,112 sf.
- Current # of employees = 540
- Currently addressing needs as funding allows through major maintenance and preventative and routine maintenance funding. Improvements that have been made since 2012 include:
 - Elevators have been replaced, restroom renovated (ADA) on 2nd and 4th floor, phased improvements to HVAC, common area flooring replaced, roof replaced
 - Agency funded projects include 3rd floor DIA ALJs

- Total maintenance costs since 2012: \$10 million+
- High Priority Maintenance needed within next 10 years - \$9,500,00 plus HVAC \$22,000,000
 - Replacement of windows, tuck-pointing and waterproofing of the exterior, removal of the terrarium, electrical improvements, restroom renovations for 1st, 3rd, and 5th floor, continue phased HVAC improvements, lighting improvements in common areas, auditorium improvements
 - Renovation of the HVAC Systems estimated at \$22M, however some improvements have been made.

Renovation Option:

- Full Renovation – \$73,000,000
- Based on evaluations completed in 2012 (w/inflation)
- Option would include filling in open atrium areas to add useable square footage to the building. Renovation would likely increase the rentable square footage depending on design.

Build New Construction at New Capitol Complex Site Option:

- The Capitol Planning Commission Master Plan includes construction of a 270,000 GSF building by 2030. New construction is currently estimated at \$450/sf which would equate to \$122M and is anticipated to take 42 months from start of design to completion. Current plan indicates the building should be located on Grand Avenue south of parking lot 12.
- Comparison to 6200 Park Avenue – 141,804 gsf @ \$450/sq ft. = \$63,811,800

Build New Construction at Current Wallace Site Option:

- To demolish Wallace and build new at the current location the cost of the project would increase by an estimated \$13.2M for abatement, demolition, and temporary officespace.
- Comparison to 6200 Park Avenue – \$63,811,800 + \$13,200,000 = \$77,011,800

Purchase Building Option:

6200 Park Avenue - Current asking price is \$21,270,600.00.

Background – 6200 Park is a Class A office building located less than 5 miles from downtown. The building was originally built for McLeod in 2000 and then sold to Principal and then later sold to Wells Fargo. Wells Fargo vacated the space in the fall of 2022.

- Two-story modern office building fully furnished with furniture and equipment (Turn-key space).

- 141,804 Building Gross Square Feet (GSF).
- Building would house 870 state employees.
- Parking lot has 791 surface parking spaces.
- Facility has a complete fiber build out.
- On-site generator.
- Three dock doors.
- Facility would be an excellent location for a one-stop shop providing convenience and efficiency to our citizens.
- Total savings with purchase could range from: \$42,500,000 to \$55,700,000.

6200



Jones Lang LaSalle Americas, Inc., a licensed real estate broker in 48 states

62 HUNDRED



6200

6200 PARK AVENUE
DES MOINES, IA 50321

Full Office Building Available

BUILDING HIGHLIGHTS

Total Available Space: 141,804 SF

Total Building Size: 141,804 SF (divisible to approx. 21,000 SF)

Building Class: A

Stories: 2

Parking: 5.7/1,000 SF; 791 surface spaces

Internet Providers: Century Link and Windstream

Additional features:

- » Warehouse: 25,694 SF; Mezzanine: 6,700 SF
- » Previously operated as call center for Fortune 100 Company
- » Potential to convert up 18,000 SF of office to warehouse
- » On-site generator

Lease Rate: \$12.00/SF NNN



**CLASS A HEADQUARTERS
OPPORTUNITY**



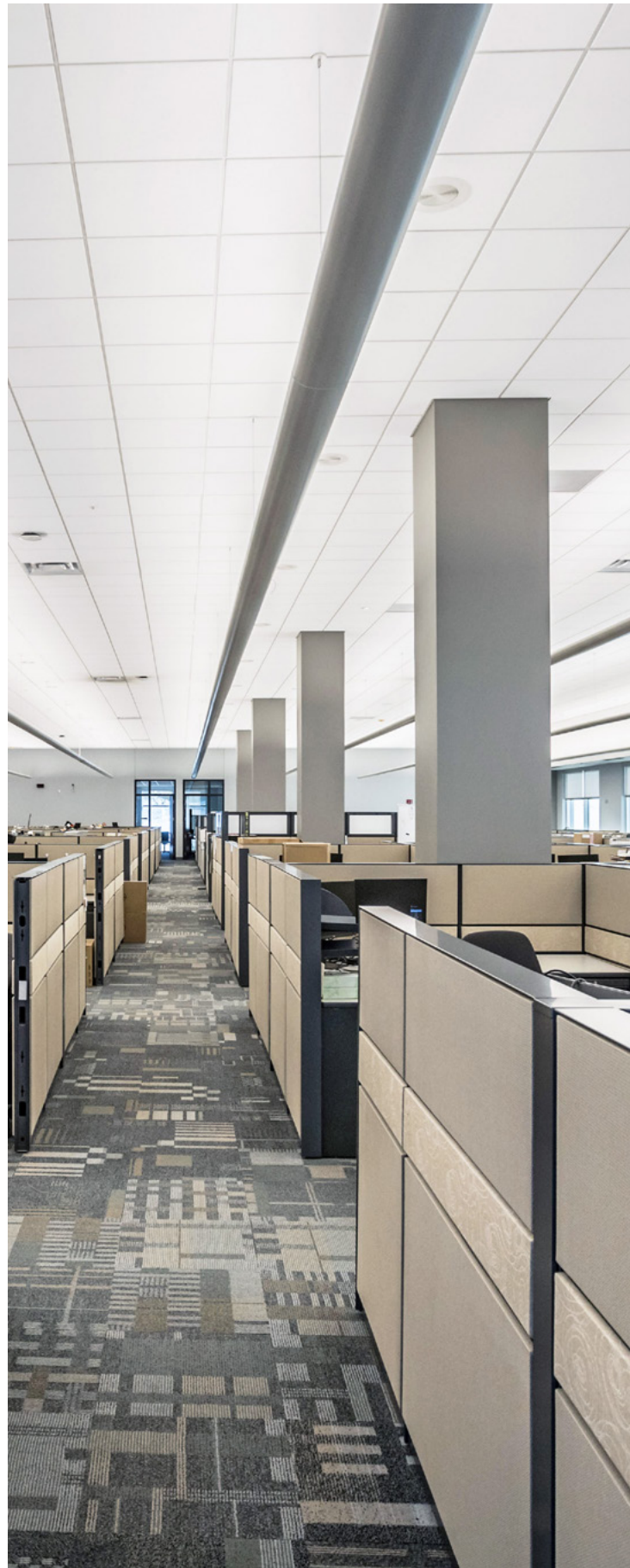
**POTENTIAL TURN-KEY SPACE
WITH IN-PLACE FURNITURE**

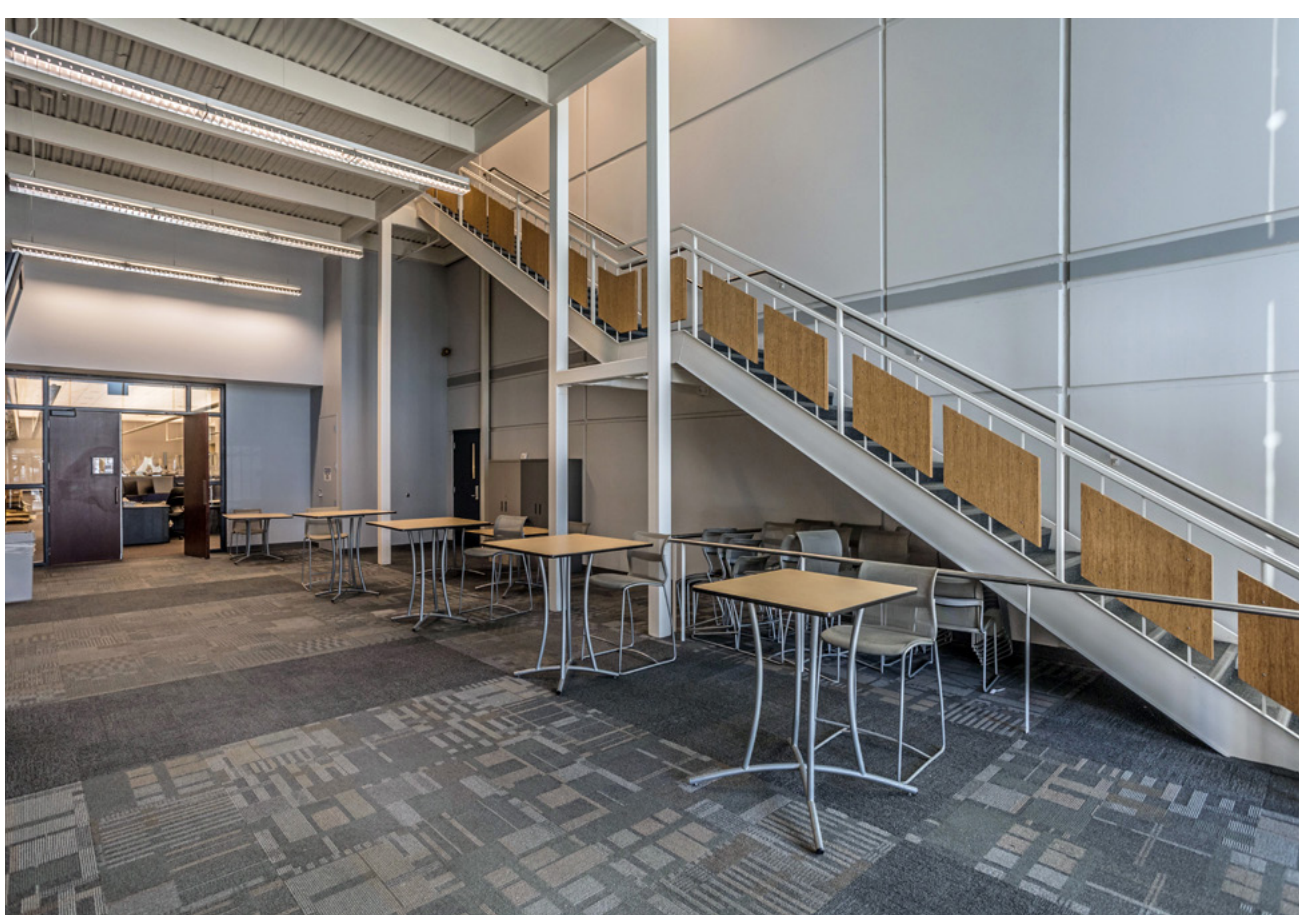
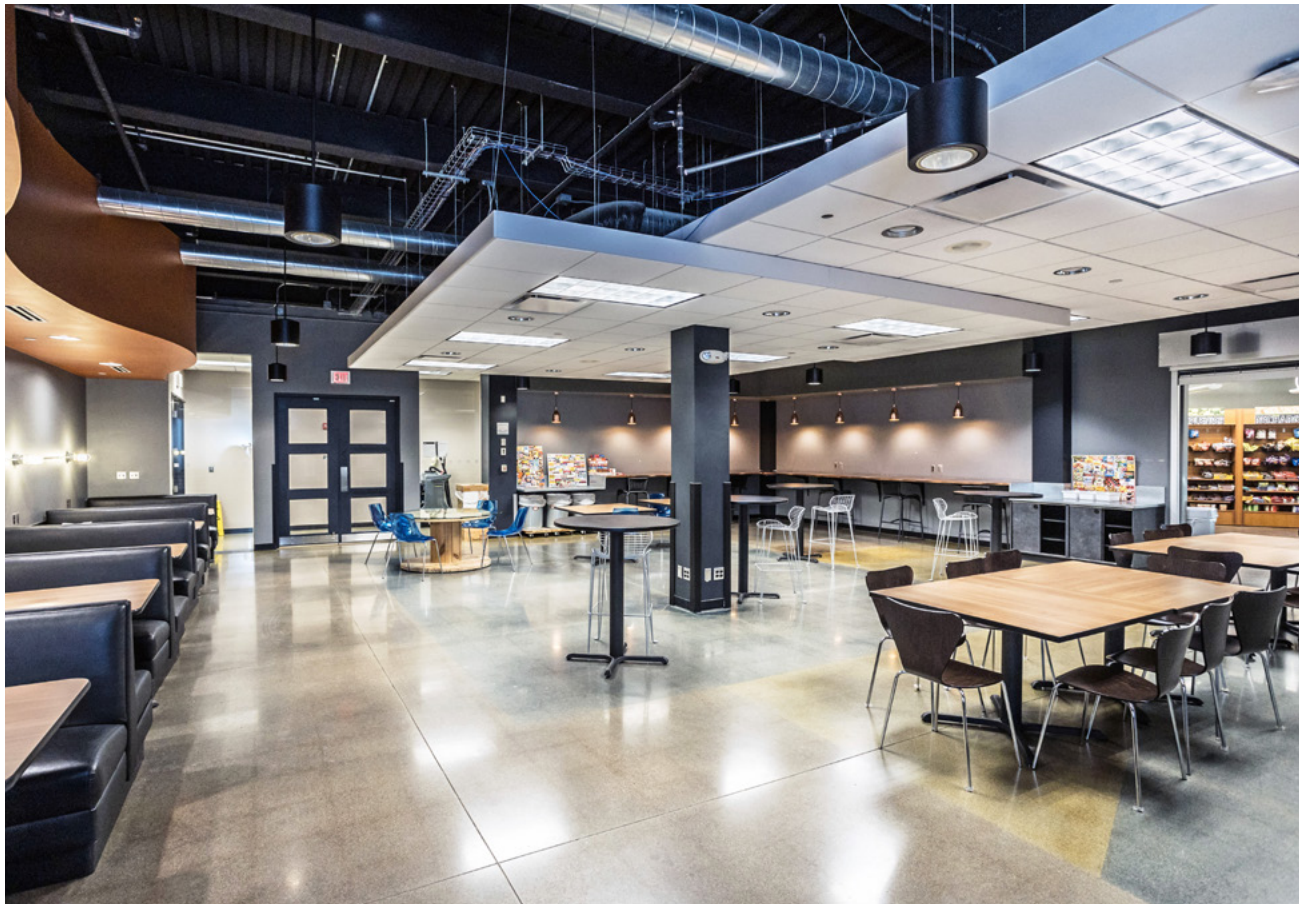


**AMPLE OUTDOOR SPACE
NEAR WOODED PARK**



**FULL RECEIVING SERVICES
WITH DOCK ACCESS**





ON-SITE AMENITIES



TENANT LOUNGE WITH
GRAB AND GO MARKET



COMMON DINING/
SEATING AREA



FITNESS FACILITY WITH
SHOWERS AND LOCKERS



5 minute drive



4 minute drive

7 minute drive

6200 PARK AVE.

SE 1ST STREET

PARK AVENUE



Downtown
Des Moines

Des Moines
International Airport

NEIGHBORHOOD

6200 Park Ave is the south suburban markets top Class A offering. This headquarters opportunity is well located with nearby access to I-235 as well as Highway 5, which allows easy access to downtown, Des Moines International Airport and the western suburbs. The property offers immediate access to retail and convenience needs while providing a park-like setting with beautiful views to Browns Woods. Over the years, 6200 Park Ave has served as a convenient campus to several prominent national companies.



6200 PARK AVE.

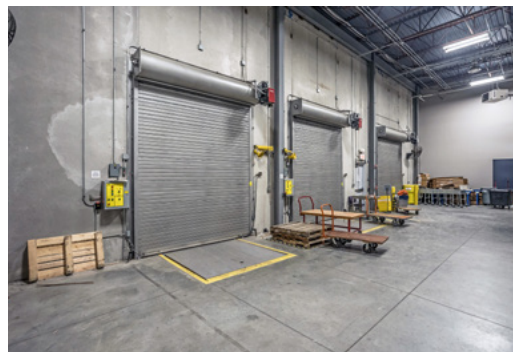
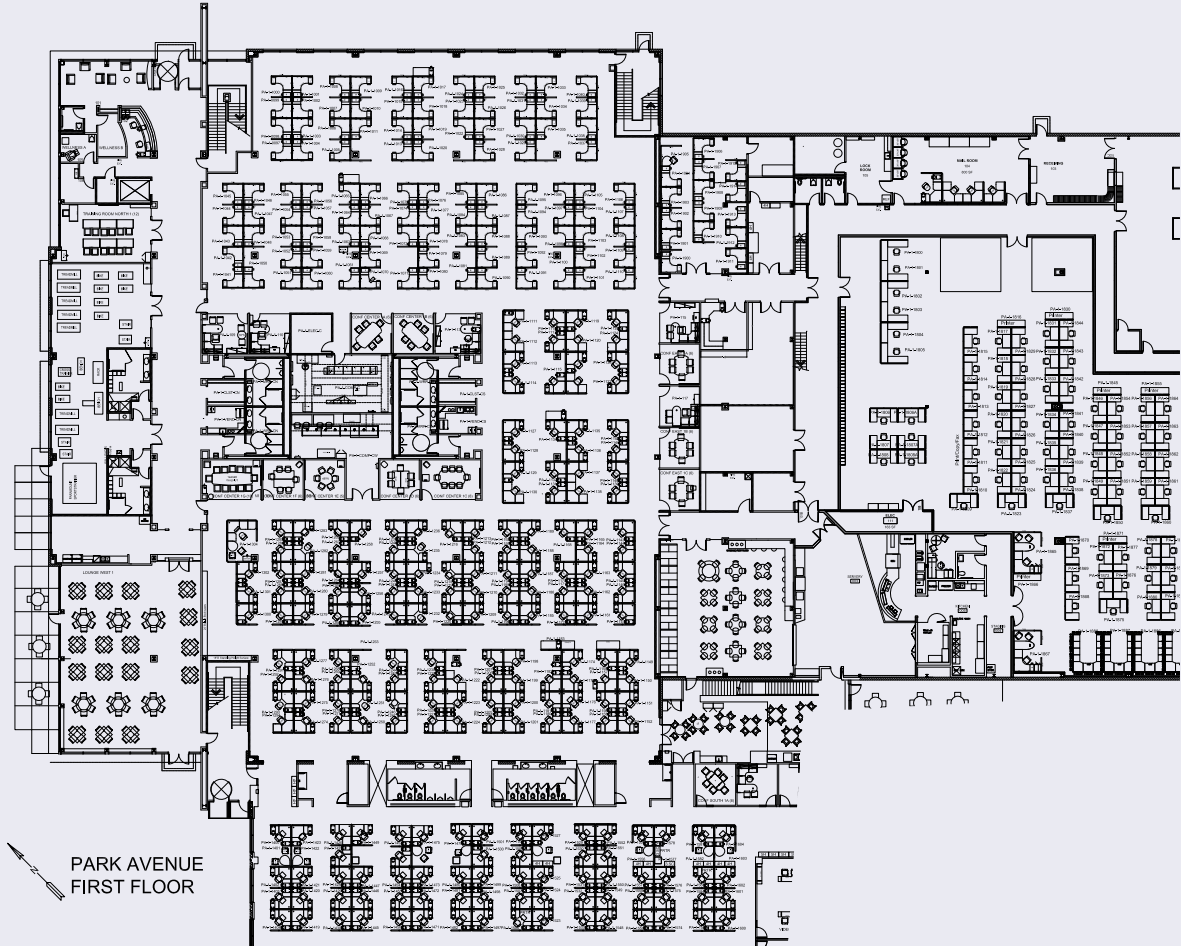
Des Moines
International Airport

Des Moines Metro

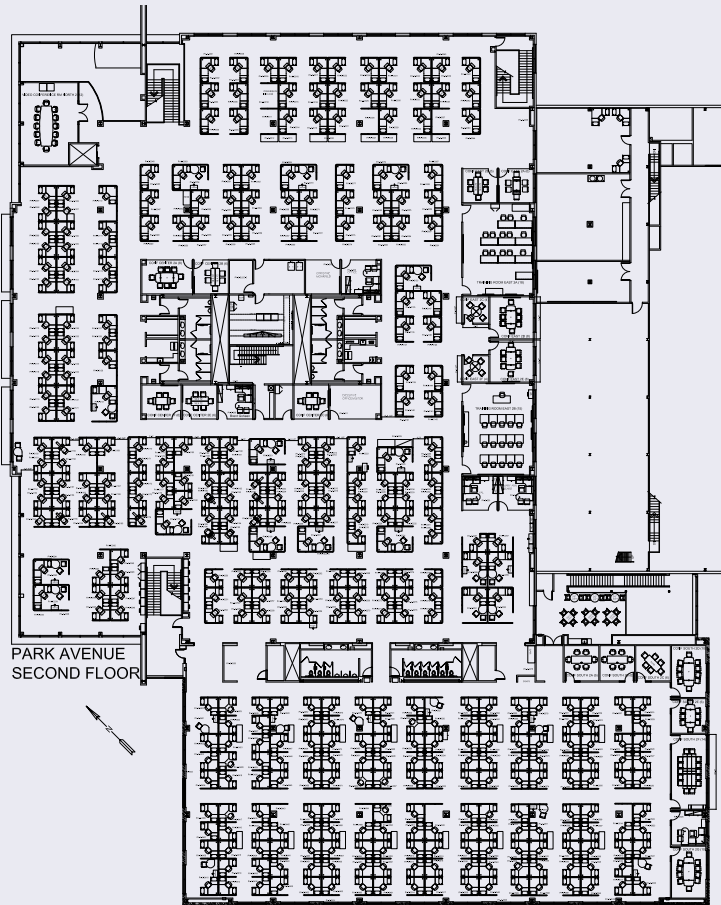
AVAILABILITIES

Full building available:
141,804 SF total, divisible to approximately 21,000 SF

1ST FLOOR



2ND FLOOR



6200 Park Ave features generous and efficient floor plates allowing as much density as a User requires. Each floor is connected to the multiple building amenities including a two-story atrium, several soft seating touch down areas, a modern break room, efficient dock access and more outdoor space than nearly any other building in the metro.

6200

6200 PARK AVENUE
DES MOINES, IA 50321



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