



Department of Planning & Community & Economic Development

Economic Development Division

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Office of Real Estate Development

To: **Common Council**
From: **Office of Real Estate Development**
Date: **March 16, 2026**
Subject: **Darbo Neighborhood Redevelopment – Salvation Army Site Acquisition (3030 Darbo Dr)**

DPCED staff are evaluating several sites in the Darbo-Worthington-Starkweather neighborhood as potential acquisition targets for eventual redevelopment for City, CDA, or nonprofit uses, consistent with the 2017 neighborhood plan for the area. In particular, the Salvation Army property at 3030 Darbo Drive has emerged as the most likely site for City acquisition in the near-term.

First, the acquisition would allow the City to support a longstanding nonprofit community service partner in Salvation Army, in turn facilitating its ongoing Shield shelter and supportive housing development project on East Washington Avenue. Salvation Army leadership has indicated that its new administrative offices in that project may not be ready for occupancy until at least 2027, necessitating a leaseback arrangement of at least two years at the Darbo site and thus delaying redevelopment or repurposing the site in the interim.

By utilizing the Land Banking Fund to fund most of the acquisition cost, the City may choose to self-develop or offer the property for lease or sale to a community agency. The City adopted a Land Banking Policy in June 2021 that prioritizes land purchases facilitating affordable housing, community and economic development projects, and related neighborhood stabilization and blight reduction objectives, all of which would be accomplished through site control and eventual redevelopment of the Darbo Drive site.

In determining the long-term use of the property, the City will give priority to uses by organizations that have established relationships with, or experience serving, residents within the Darbo neighborhood, or members of marginalized communities that are represented in the neighborhood. The purchased property could be used as a community center and/or to house agency activities or programming that support neighborhood residents and underserved or marginalized populations more generally.

Since 2023, City staff have been working with a grassroots group of Darbo-area nonprofits led by Mentoring Positives, Just Dane, and the African Center, who collectively wish to develop a new community hub for offices, classrooms, childcare services, recreation, and other community development purposes. The group's concept, informally known as the Darbo Dream Center, includes an ask of the City to provide a parcel of land suitable for a mixed-use building of approximately 80,000 square feet, and perhaps additional capital and/or operating support for the project.

Acquisition of the Salvation Army site will provide that organization with flexibility and capital to complete its development objectives while the Darbo Dream group continues its planning and fundraising efforts. Site control would also allow the City the flexibility to resell the site for new construction, lease the existing building to Darbo Dream or another group for community programming, or to retain the site for affordable housing development - perhaps even a CDA-led project as a replacement for the nearby Webb-Rethke public housing site.