

**OFFICE OF THE CITY MANAGER  
DES MOINES, IOWA**

**CITY COUNCIL COMMUNICATION 96-215  
MAY 20, 1996 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
MEREDITH OFFICE PROJECT	◆ RESOLUTION ORDINANCE RECEIVE/FILE	SCOTT STRICKER ECONOMIC DEVELOPMENT ADMINISTRATOR

**SYNOPSIS —**

On the May 20, 1996, Council agenda are three roll calls pertaining to the Meredith Office Project. The roll calls are as follows:

1. Approval of a real estate purchase agreement for Acquisition Parcel No. 7C/Riverpoint Capitol-Center Development Area Urban Renewal Project, between the City and Jared and Elaine Johnson. Acquisition Parcel No. 7C is the block bounded by Grand Avenue on the north, 15th Street on the east, Locust Street on the south, and vacated 16th Street on the west.
2. Approval of Special Warranty Deed for Disposition Parcel No. 7C/Riverpoint Capitol-Center Development Area for execution and delivery to Meredith Corporation.
3. Acceptance of schematic design plans for the landscaping of Parcels 7A and 7C, and authorizing Building Official to issue building permits for the Meredith office facility on Parcels 7B and 7D.

Pursuant to the Development Agreement the City is obligated to purchase Acquisition Parcel No. 7C and convey Disposition Parcel No. 7C to Meredith by June 1, 1996. As provided for in the Agreement, the City in conjunction with Meredith has negotiated a purchase price with the current owners of parcel 7C, Jared and Elaine Johnson, in an amount of \$1,967,500 less deductions for the acquisition of any leasehold interests. The exact amount of the purchase price will be determined prior to closing.

The City will convey to Meredith all of the property purchased except for the east 14 feet of the block, which will be retained as right-of-way for future improvements to 15th Street. The cost to the City for this 14 feet of right-of-way is \$90,000. Meredith will reimburse the City for all other costs associated with the acquisition including engineering, environmental assessments, surveys, and appraisals. In addition, in the event Meredith constructs a second office building on parcel 7C, they must pay the City \$45,000 as additional compensation for conveyance of the alleys within the block.

The third roll call allows Meredith to obtain building permits for the office facility on parcels 7B and 7D in consideration of its submittal of schematic design plans for the landscaping improvements on parcels 7A and 7C. Because of the status of the Gateway planning initiative, it is premature to finalize the landscaping plans for these parcels at this time. The City Council will have the opportunity to review and approve the final landscaping plans when they are available.

**FISCAL IMPACT —**

The City is obligated to pay \$90,000 for the purchase of the east 14 feet of Acquisition Parcel No. 7C to be obtained as right-of-way for future improvements to 15th Street. The \$90,000 will be funded from tax increment funds. All other costs associated with this transaction will be reimbursed pursuant to the City's development agreement with Meredith.

**RECOMMENDATION —**

Approval of the roll calls is recommended.