

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

**CITY COUNCIL COMMUNICATION 96-420
SEPTEMBER 23, 1996 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
GUTHRIE AVENUE BUSINESS PARK— OFFER TO SELL 1910 DIXON STREET	◆ RESOLUTION ORDINANCE RECEIVE/FILE	SCOTT STRICKER ECONOMIC DÉVELOPMENT ADMINISTRATOR

SYNOPSIS —

On the September 23, 1996, Council agenda is a roll call to approve and accept the property owner's Offer to Sell 1910 Dixon Street. This property must be acquired in order to facilitate JFF Partners' (Van Meter Electric Supply Co.) proposed 14,400-sq.-ft. expansion in the Guthrie Avenue Business Park.

FISCAL IMPACT —

The purchase price of \$235,000 is available from the Guthrie Avenue Business Park Account (651240).

RECOMMENDATION —

Approve and accept the Offer to Sell 1910 Dixon Street.

BACKGROUND —

In April 1993, the City Council entered into an urban renewal contract with JFF Partners (Van Meter Electric Supply Co.) in order to construct a 21,500-sq.-ft. office/distribution facility on Disposition Parcel No. 12 (1751 Guthrie Avenue) in the Guthrie Avenue Business Park. This was the first redevelopment project in the Business Park. The project was completed in 1994.

The contract provided an option to purchase Disposition Parcel No. 11A, which is approximately 1.3 acres, located south of the company's existing facility and west of Dixon Street. JFF Partners is now exercising its option. It plans to construct a 14,400-sq.-ft. addition at an estimated cost of \$600,000 in Spring 1997. After the sale of Disposition Parcel No. 11A, there will be an additional four acres available for redevelopment.

Property located at 1910 Dixon Street must be acquired in order to facilitate the company's expansion. This property is shown for acquisition in the Guthrie Avenue Business Park Urban Renewal Plan adopted by the City Council in 1988.

Robert L. Rice, owner of the property, has submitted an Offer to Sell 1910 Dixon Street to the City. The Right-of-Way Division has determined that the asking price of \$235,000 is reasonable based on their inspection of the property and market knowledge.

A Phase II Environmental Assessment was completed by Maxim Technologies, Inc. in November 1995. This report was provided to the Iowa Department of Natural Resources (IDNR) for review. IDNR sent a letter to the City dated December 20, 1995, that indicated no further action was required at this site.