

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

98-173

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

AGENDA:
APRIL 27, 1998

SYNOPSIS –

SUBJECT:
LEASE WITH UNION
PACIFIC RAILROAD
COMPANY FOR
EMERGENCY
ACCESSTO THE
BELL AVENUE,
VALLEY GARDENS
LEVEE AND
PROPERTIES THAT
ARE ISOLATED BY
FLOOD

A three-year lease with the Union Pacific Railroad Company for use of the southwestern 1,532 feet (189,534 square feet) of their Bell Avenue Yard right-of-way for emergency access to the Valley Gardens area has been negotiated. The lease will provide access to areas which will be cut off from all existing access due to flood gate closures during floods.

TYPE:
RESOLUTION
ORDINANCE
RECEIVE/FILE

FISCAL IMPACT –

The purchase of this access was budgeted in the Valley Drive, Bell Avenue, Raccoon River Flood Protection item (Page 119) of the City’ s 1998-99/2003-04 Capital Improvement Budget, Account 332940. This three-year lease will cost the City \$6,000 a year (plus 3 percent increase per annum), far below the budgeted purchase price. This rent is consistent with an appraisal made by the Engineering Department.

SUBMITTED BY:
HAROLD SMITH
CITY ENGINEER

RECOMMENDATION –

Acceptance and approval of Lease of Property Agreement for \$6,000 per year with 3 percent increase per annum. Execute Lease of Property Agreement.

BACKGROUND –

An access easement was part of the plans for the levee system in order to provide the need for the Public Works Department to work in and maintain the levee system during times of flood. The access will also provide access to areas isolated by closure of the flood gates.

The road proposed for the Union Pacific right-of-way will impact the need for the Lease. If the road is built, this Lease

will no longer be needed. By the end of this three-year lease, we will have a better idea of how this area will be developed.

The original plan for this area was to purchase this property outright; however, before the Union Pacific Railroad Company can sell this property to us, they must complete abandonment proceedings with the U.S. Commerce Commission. Prior to being able to abandon this right-of-way, they must obtain title to the Burlington Railroad bridge across the Raccoon River just east of Gray' s Lake.