

**CITY COUNCIL  
COMMUNICATION:**

**REVISED**

**ITEM \_\_\_\_\_**

**99-269**

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

**AGENDA:**

JUNE 7, 1999

**SUBJECT:**

COURT AVENUE  
ENTERTAINMENT  
CENTER-  
AUTHORIZE  
ACQUISITION OF  
PROPERTY FOR  
PARKING LOT

**SYNOPSIS -**

At the June 7, 1999 City Council meeting, the Council is requested to set the fair market value and authorize Offers to Purchase for two properties located within the proposed 3rd Street - SW 5th Street parking lot footprint. Unlike the offers to acquire property for the Entertainment Center footprint, which will not be accepted by the City until there is significant assurance of the project proceeding, these offers to purchase are not subject to the Entertainment Center project proceeding because of the need for the properties to make a viable large-scale surface parking area.

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**FISCAL IMPACT -**

The cost of these property acquisitions will be funded through the tax increment financing (TIF) budget allocated for the parking lot project

**SUBMITTED BY:**

RICHARD CLARK  
DEPUTY CITY  
MANAGER

**RECOMMENDATION -**

**Approval to make Offers to Purchase, including filing for condemnation if a settlement does not appear feasible.**

**BACKGROUND -**

The Council is requested to approve fair market values and offers to acquire the following properties. The fair market values of the properties proposed for acquisition, totaling \$193,300, were determined by an independent appraiser. The properties proposed for purchase are used for surface parking.

<u>Address</u>	<u>Titleholder</u>	<u>Fair Market Value</u>
117 SW 5th Street	Amerus/Midland Bank	\$177,000
130 SW 3rd Street	Minneapolis/St. Louis RR (Union Pacific RR)	\$16,300

Subject to the property acquisition costs related to the Entertainment Center footprint, there may be some funding remaining. Staff will explore acquisition of two additional properties for the parking project: the former National Sheet Metal building at 101 SW 5th Street and a small surface parking lot directly north of the building. A recommendation and report on availability of funding will be made to the City Council later this summer.

The City Council selected Centertainment as the preferred developer for this project in August 1998. On April 19, 1999, the Council approved entering into the urban renewal contract with Centertainment. At the May 17, 1999 meeting, the Council directed the City Manager to provide written notice to Centertainment, in accordance with the contract, of the City's intent to proceed with the parking lot. As part of the contract, the City is responsible for property acquisition for the construction of a 600+ space public parking lot located directly south of the entertainment complex.