

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

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

99-469

SYNOPSIS -

AGENDA:

OCTOBER 18, 1999

SUBJECT:

SALE OF PROPERTY
TO COOPER HOMES,
INC.

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

WILLIAM
FLANNERY
AVIATION
DIRECTOR

On November 6, 1997, the Plan & Zoning Commission denied a request from Cooper Homes, Inc. (Cooper Homes) for rezoning of land south of Stanton Avenue from R1-80 to R1-60 and suggested that Cooper Homes talk to the Aviation Department about purchasing land west of their property. The Airport Board, on October 7, 1997, authorized the Aviation Director to pursue negotiations for the sale of the vacant property. At that time, attempts by Aviation Department staff to discuss the sale were unsuccessful. On November 19, 1998, the Plan & Zoning Commission approved a resubmitted rezoning request with one condition being that Cooper Homes acquire Airport property to the west. On January 4, 1999, by Roll Call No. 99-079, the City Council denied the requested rezoning. On September 13, 1999, at the request of William Lillis, attorney for Cooper Homes, City Council set October 18, 1999 as the date of public hearing to reconsider the rezoning request for the proposed subdivision and to approve the sale of the vacant Airport property to Cooper Homes for \$29,100. The referenced property being proposed for sale to Cooper Homes for development was specifically acquired by the Airport to allow for the relocation of SW 34th Street in support of the Iowa Air National Guard's (IANG) Master Plan.

City Engineering has been working with the IANG to finalize the construction design for relocated SW 34th Street. **Until the design for relocated SW 34th Street is completed and the excess property identified, a legal description of the property interests needed to be retained by the City (i.e., sewer easements, noise and aviation easements) and property adjustment easements from the property available for sale could not be completed.** While the construction plans are substantially complete, they are not finalized to the point to allow for bidding or construction. However, the plans are now complete enough to allow for the identification of the property interest available for sale to Cooper Homes. **Any decision to sell land included within the Airport Layout Plan requires**

the formal approval of the Federal Aviation Administration (FAA) before the sale can be final. In order for the FAA to approve the sale, the City needs to identify the property interests to be conveyed along with the property interest it should retain. Additionally, approval of the sale could not move forward until an appraisal was completed, the fair market value of the property established, and a formal sales agreement agreed to and executed by the party (Cooper Homes) wishing to buy the land.

In addition, the relocation of SW 34th Street requires that the City obtain property from Cooper Homes. Airport staff and the Airport Board have recommended that the approval of the sale be contingent upon Cooper Homes stipulating that they will sell or grant the City the necessary fee and temporary construction easement interests in two small parcels necessary for the construction of relocated SW 34th Street at a per square foot price not greater than the per square foot price of the property being sold to Cooper Homes. An offer was made to Mr. Lillis for the property the City needs to acquire for the project.

Because the required approval by the FAA has not been received, the sale of the property must be contingent on FAA approval.

FISCAL IMPACT -

There is no fiscal impact on the General Fund. If the sale is approved by the FAA and City Council and the property is sold for its current appraised value, the Airport Enterprise Fund will receive \$29,100. The fee simple purchase of the small parcel needed for the SW 34th Street relocation and the backslope easement for road construction will cost \$270.

RECOMMENDATION -

Approval.

BACKGROUND -

On October 8, 1996, by Resolution No. A96-273, the Airport Board recommended to City Council the purchase of the

property in the 3300 block of Stanton Avenue in support of the IANG's Road Relocation Project. On October 21, 1996, by Roll Call No. 96-3543, City Council approved the purchase of the property. The referenced property partially lies within the footprint of the IANG's proposed relocation of SW 34th Street. The remaining portion to the east of the proposed relocated roadway has not been designated for either IANG or future Airport use.

On October 7, 1997, by Resolution No. A97-319, the Airport Board authorized the Aviation Director to pursue negotiations for the sale of the vacant Airport property located in the 3300 block of Stanton Avenue which is not needed for future Airport purposes.

On November 19, 1998, the Plan and Zoning Commission approved the resubmitted rezoning request from Cooper Homes for the rezoning of land from R1-80 to R1-60 to construct a residential subdivision on the south side of Stanton Avenue between SW 31st Street and SW 34th Street (see map attached to roll call) conditioned upon, among other things, a requirement that the land west of the proposed subdivision not needed for future Airport purposes be purchased from the Airport.

After considerable time, City staff was contacted by Mr. Lillis about the purchase of the Airport property west of the proposed subdivision. This contact prompted a March 22, 1999, request to FAA for approval to sell the vacant Airport property west of the proposed subdivision. The request could not be approved because a legal description for the property was not available. Also, after this request, an appraisal and review of the appraisal of the vacant Airport property west of the proposed subdivision was performed and established that the current value of the property is \$29,100.

On September 13, 1999, at the request of Mr. Lillis, City Council set October 18, 1999 as the date of public hearing to reconsider the rezoning request for the proposed subdivision and to approve the sale of the vacant Airport property to Cooper Homes for \$29,100.

Subject to FAA approval, the City can sell the vacant Airport property to Cooper Homes for \$29,100, but as part of the sales transaction, the City should retain the necessary sewer easements, a noise and aviation easement, and a temporary

easement for property adjustment on the property being sold. Also, a related item is the upcoming Airport project to relocate SW 34th Street for the IANG. This road relocation project will require the acquisition of a small parcel of land from Cooper Homes in fee simple and a temporary easement for property adjustment on another small parcel. The estimated value of these parcels is less than \$270.