

Meeting Agendas/Info

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

01-596

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

AGENDA:

SYNOPSIS -

DECEMBER 3, 2001

At their August 21, 2000 meeting, the City Council authorized the acquisition of the property located at 1006 Grand Avenue in association with the Western Gateway Project. 1006 Grand Avenue is owned by the Door of Faith, Inc. (Leon Negen, President/CEO, Hope Ministries, 1310 - 6th Avenue, Des Moines) and provides transitional housing and associated services for 80-85 men.

SUBJECT:

PRELIMINARY
APPROVAL OF TERMS
AND CONDITIONS
FOR PURCHASE OF
1006 GRAND AVENUE
AND 610 DICKMAN
ROAD FROM DOOR
OF FAITH, INC.

The City Council is requested to approve the preliminary terms and conditions for the purchase of 1006 Grand Avenue and 610 Dickman Road. The property at 1006 Grand Avenue is the current location of the Door of Faith. The City will acquire the property, relocate the Door of Faith, and demolish the building. The land will be retained under City ownership as part of the Western Gateway Project.

TYPE:

The Door of Faith has an option to purchase property south of Army Post Road to relocate the facility. They do not need the entire parcel, however. The City will purchase 5.5 acres of the excess land.

RESOLUTION
ORDINANCE
RECEIVE/FILE

FISCAL IMPACT -

SUBMITTED BY:

The City will purchase the property located at 1006 Grand Avenue for \$423,000 (including all relocation expenses). The source of funds is the Gateway Project. Closing will occur on or before December 1, 2002.

ERIC A. ANDERSON
CITY MANAGER

The property at 610 Dickman Road will be purchased on contract for \$777,000. The source of funds will be Fiscal Year (FY) 2002/2003 and FY2003/2004 Capital Improvement Program (CIP) funds. The first installment will be made on July 1, 2002, and the second and final installment will be made on July 1, 2003.

RECOMMENDATION -

It is recommended that the City Council approve the preliminary terms and conditions of the purchase of 1006 Grand Avenue and 610 Dickman Road from Door of Faith, Inc. subject to the execution of a final Purchase Agreement by both parties.

BACKGROUND -

In August 2001, the City Council authorized the Office of the City Manager, the Legal Department, and the Real Estate Division of the Engineering Department to acquire 1006 Grand Avenue through gift, negotiation, or condemnation. City staff have been meeting on a regular basis with the staff and board members of the Door of Faith to identify a suitable site for relocation and to establish a fair purchase price for their current facility.

The Door of Faith has made an offer to purchase vacant land located at 610 Dickman Road and plans to construct a new facility on the property. The parcel contains 5.5 acres that the Door of Faith will not need for the new complex.

In order to facilitate the relocation of the Door of Faith from their current location at 1006 Grand, it is necessary for the City to purchase the property at 1006 Grand Avenue as well as the excess property at 610 Dickman. As a condition of these purchases, the Door of Faith has agreed to vacate their current facility by December 1, 2002.

A final purchase agreement will be presented to City Council for approval in January. This agreement will contain the terms and conditions outlined above and include the relocation deadline of December 1, 2002.
