CITY COUNCIL	ITEM
COMMUNICATION:	OFFICE OF THE CITY MANAGER
02-249	CITY OF DES MOINES, IOWA
	SYNOPSIS -
AGENDA:	
MAY 6, 2002	The City of Des Moines currently owns property at 1202 and 1300 Scott Avenue. The properties were recently acquired for the planned extension of the Martin Luther King, Jr. (MLK) Parkway project from the Des Moines River to SE 14th Street. A purchase agreement, which
SUBJECT:	allows the properties to be purchased by the City over a five-year period at a cost of \$280,000 per year, was negotiated with the property
USE OF 1202 AND 1300 SCOTT AVENUE AS AN	owners, L & M Enterprises (a/k/a Lomar Wholesale Groceries, Inc.) and Marilyn A. Hurwitz, as trustee of the Marilyn A. Hurwitz Trust. Since the purchase of the property, the Fire Department has been
INTERIM FIRE TRAINING FACILITY	conducting training exercises at the facility and requests authorization to continue such activities and expand similar activities thereby establishing an interim training facility in the building.
TACILIT I	establishing an interim training facility in the building.
TYPE:	FISCAL IMPACT -
RESOLUTION ORDINANCE RECEIVE/FILE	The initial payment for the purchase of the property was made using available funds under the Corridor Studies and Acquisition-Southeast and Southwest Diagonals 2002-03/2007-08 Capital Improvements Program. Partial funding for the balance of the purchase price has
SUBMITTED BY:	been budgeted under the same program for the next four years. The budget provides for lease income of \$100,000 in Fiscal Year (FY)
RON WAKEHAM FIRE CHIEF	2005 and FY2006 to fund the balance needed to complete the acquisition.
DON TRIPP PARK AND	RECOMMENDATION -
RECREATION DIRECTOR	Approval.
	BACKGROUND -
	The Fire Department believes funds are available in excess of the

\$100,000 needed in FY2005 and FY2006 to complete the acquisition, if the property were to be used for an interim training facility. The

expenditures and the cost to renovate the property could be funded by diverting the \$260,000 budgeted in FY2004 for the construction of a training tower. Separately, \$1,200,000 is budgeted for 2008 for the construction of a complete training facility. Depending upon several factors, including future needs of this segment of the MLK project, this facility could serve as a permanent training facility. If the existing structure could serve as a permanent training facility, substantial long-term savings would be realized.

Utilization of the property by the Fire Department will not only provide some financial benefit prior to FY2005, but will provide the additional benefit of a training facility six years earlier than previously budgeted. The Fire Department spends approximately \$10,000 annually on instruction not currently available within the department. In the future, this training could be taught by our own instructors utilizing the space provided within this training facility.

This property contains space beyond the needs of a training facility. A portion of the excess space could be used by the Police Department for a secured impound storage facility. Currently, the Police Department leases space at a rate of \$1,100 per month from a third party for use as a secured impound storage facility. This revenue will offset a portion of the operating and maintenance expenditures for the property. The balance of the initial operating expense will be funded through the sale of excess Fire Department extrication equipment estimated to bring proceeds in the amount of \$30,000. Additionally, the Fire Department's fire station apparatus bays are nearly impassible due to the required storage of their reserve apparatus. This apparatus is in first rate condition and available during required services and repair of their front line equipment. The property is centrally located and very accessible for the secure storage of these necessary back-up vehicles. Approximately \$18,000 annually will be saved in lieu of renting a separate space of comparable size.

This space may also be needed during the current renovation of Fire Station 6 and could be used to alleviate some of the problems with crowding and inadequate storage space at Fire Station 1. Use of the building as a fire training facility will allow for the transfer of fire training staff to existing offices on the property. This training will provide a heightened focus on the training needs of potential and existing firefighters. Staff will also investigate potentially transferring Haz Mat personnel to the new site to further improve conditions at Fire Station 1.

MLK Parkway is currently under construction from SW 2nd Avenue west to Fleur Drive and from Fleur Drive north to I-235/MLK

Interchange. The ultimate MLK Parkway includes extension of the current project east across the Des Moines River to connect to SE 14th and SE 15th Streets. A primary corridor study and environmental assessment have been accomplished on this segment from the Des Moines River to SE 14/SE 15th Streets.

The properties at 1202 and 1300 Scott Avenue are shown in the primary corridor as being required for future construction. However, these properties will not be required for construction for at least the next five to seven years.

Marketing of this property for a short-term period will likely be a challenge and result in less than market rate for any lease agreement. Utilization of the property by the Fire and Police Departments will provide some immediate financial return at a rate possibly greater than the limited market may provide.