



Agenda Item:

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COUNCIL COMMUNICATION

City Manager's Office

GENERAL INFORMATION

Agenda Date: October 10, 2005
Agenda Item Type: Resolution

Communication No.: 05-571
Roll Call No.:

Submitted by: Donald M. Tripp, Park & Recreation Director
Jeb E. Brewer, City Engineer

SUBJECT—

Set the date of hearing for the vacation and conveyance of the North/South alley in the block between SW 1st and SW 2nd Streets and between Dunham Avenue and Granger Avenue, along with a portion of Granger Avenue right-of-way lying North of and adjoining said alley; and for the conveyance of the entire block referenced above, except that portion which is dedicated as right-of-way for street purposes.

SYNOPSIS—

This action would set the date of public hearing to adopt an ordinance to vacate public right-of-way and approve the conveyance of the above referenced property to Curly Top, LLC, John Mauro President, 2611 Ingersoll Avenue, Des Moines, Iowa.

FISCAL IMPACT—

This sale is expected to yield \$99,903.00. The proceeds from the sale of this property will be deposited as follows: \$34,903 to the Property Management Endowment Fund - Account 480010, Fund SP767, Organization PKS161625, Project PM-003; \$65,000 to reimburse the CIP Account 480010, Fund CP038, Organization ENG990000, Project STR118 for railroad property acquisition.

RECOMMENDATION—

Approval

BACKGROUND—

On March 28, 2005, by Roll Call No. 05-686, the City Council of the City of Des Moines, Iowa, authorized the acquisition of all necessary property interests by voluntary purchase or gift for the Indianola Avenue Redevelopment Area Project.

On August 8, 2005, by Roll Call No. 05-1919, the City Council of the City of Des Moines, Iowa initiated the vacation of the North/South alley in the block between Southwest 1st and

Southwest 2nd Streets and between Dunham Avenue and Granger Avenue; and authorized the City Manager to negotiate an agreement with Curly Top, LLC for the sale of the entire block referenced above, subject to acquisition of the adjoining railroad property and less that part used for street purposes, all subject to approval by the City Council.

On September 12, 2005, by Roll Call No. 05-2204, the City Council of the City of Des Moines, Iowa, approved a recommendation from the City Plan and Zoning Commission for conditional approval of a City Council-initiated request on behalf of Curly Top, LLC, for vacation and conveyance of the above-referenced North/South alley along with a portion of Granger Avenue street right of way, subject to the applicant being responsible for relocating utilities as may be necessary for future development.

On September 26, 2005, by Roll Call No. 05-2382, the City Council of the City of Des Moines approved and accepted the Intent to Sell and Agreement to Purchase Real Estate with the Union Pacific Railroad Company to acquire the western half of the block between SW 1st Street and SW 2nd Street and between Dunham Avenue and Granger Avenue for \$65,000 utilizing funds from the Capital Improvements Program account 541010, CP038, ENG990000, STR118. This property was acquired with the intent of selling it along with the eastern portion of the block not needed as street right-of-way, as well as the intervening North/South alley and adjoining portion of Granger Avenue street right-of- way to Curly Top, LLC for the Indianola Avenue Redevelopment Area Project.

This property consists of approximately 63,588 square feet. Curly Top, LLC has submitted an offer to purchase in the amount of \$99,903.00 for the sale of the above referenced property, which is equal to the estimated Fair Market Value. The sale of this property is for restricted use as senior housing with at least 40 units, and is subject to the Buyer's receipt of IFA tax credits. Additionally, this offer is subject to Buyer being responsible for the cost of paving Dunham Avenue between SW 1st and SW 2nd Streets beginning approximately at the point on the east side of the North/South alley, and extending west to the existing pavement, all in conformity with the time period for such construction and to the specifications and approval of the City of Des Moines City Engineer, and being responsible for relocating utilities as may be necessary for development. The expected closing date is June 6, 2006.