



Council Communication

Office of the City Manager

Date	February 11, 2008
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Agenda Item No.	15
Roll Call No.	08-
Communication No.	08-062
Submitted by:	Jeb E. Brewer, P.E. City Engineer

AGENDA HEADING:

Resolution establishing fair market value and authorizing acquisition of multiple properties for the High Street realignment – 10th Street to 14th Street Project.

SYNOPSIS:

Approval of fair market value and authorization to proceed with acquisition. This action establishes fair market value and approves acquisition of property interests for the High Street realignment – 10th Street to 14th Street project. State law requires this action before the City can proceed with an offer to purchase the necessary properties under the threat of eminent domain.

FISCAL IMPACT:

Amount: \$1,596,000 plus closing costs and actual parking lot restoration expenses.

Funding Source: 2007-08 CIP, Page Streets-20, STR 204, CP038, High Street Realignment,; Various State and Local Funding.

ADDITIONAL INFORMATION:

On September 24, 2007, by Roll Call 07-1890, City Council authorized negotiation with Wellmark on the construction of a new corporate headquarters. As one of the terms of the negotiations, the City is required to construct a major realignment of High Street to allow for a more efficient parking garage design by Wellmark.

On November 19, 2007, by Roll Call 07-2245, City Council approved a staff recommendation to take immediate action to vacate and order the relocation of utilities from all of the High Street right-of-way between 10th Street and 12th Street, due to the critical timeline for the commencement of construction of Wellmark's new corporate headquarters. On November 19, 2007, by Roll Call No. 07-2247, City Council passed Ordinance No. 14,724 vacating High Street right-of-way between 10th Street and 12th Street.

Acquisition of a portion of the properties listed below is required for the reconstruction of High Street. The properties listed below have been appraised by an independent appraiser and the appraisals have been approved by the Iowa Department of Transportation (IDOT).

Principal Mutual Life Insurance Company, an Iowa corporation, Ted Brackett, 2nd Vice President Corporate Real Estate, 711 High Street, Des Moines, Iowa, 50392-001, owns a parking garage at 1112

Woodland Avenue. The City plans to acquire 36,285 square feet of the property for the realignment project. The existing parking lot has 261 surface parking spaces, and the proposed new parking lot layout decreases it to 166 spaces. Including the 1,409 parking stalls in the ramp, the number of parking stalls on the property will be reduced by 5.7 percent. The appraised value of this partial acquisition is \$1,530,000. In addition, the City will reimburse Principal Mutual Life Insurance Company for their actual costs to re-establish the remainder parking lot to its original condition following construction.

IMHS Properties, Inc., an Iowa corporation, Joseph Corfits, CFO, 1200 Pleasant Street, Des Moines, Iowa, 50309-1406, is the owner of the property located at the northwest corner of High Street and 12th Street. The City is purchasing 1,618 square feet of this property. The appraised value of this partial acquisition is \$66,000.

PREVIOUS COUNCIL ACTION(S):

Date: November 19, 2007

Roll Call Number: [07-2247](#)

Action: [Final](#) consideration of ordinance above, (waiver requested by the City Manager), requires 6 votes. Moved by Kiernan that the rule requiring that an ordinance must be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage and that the ordinance do now pass, [#14,724](#). Motion Carried 7-0.

Date: November 19, 2007

Roll Call Number: [07-2245](#)

Action: [On](#) vacation of High Street right-of-way between 10th Street and 12th Street, and all of the 13th Street right-of-way between High Street and Grand Avenue, and all of the alley rights-of-way within the three block area bounded by 11th Street on the east, Grand on the south, 14th Street on the west and High Street on the north. It is further proposed that all public utilities be required to relocate from the vacated rights-of-way. Moved by Kiernan to adopt and approve the vacation without reservation of easements for existing utilities, subject to final passage of the vacation ordinance. Motion Carried 7-0.

Date: September 24, 2007

Roll Call Number: [07-1890](#)

Action: [Regarding](#) preliminary terms of agreement with Wellmark for redevelopment of the two blocks adjoining north side of Grand Avenue between 12th and 14th Streets for its new home office facility. ([Council Communication No. 07-593](#)) Moved by Hensley to receive and file, and to authorize and direct the City Manager to negotiate a final development agreement with Wellmark as described in the Council Communication. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE