



Council Communication

Office of the City Manager

Date:	July 25, 2011
Agenda Item No.	39
Roll Call No.	<u>11-1309</u>
Communication No.	<u>11-490</u>
Submitted by:	Jeb E. Brewer, P.E., City Engineer

AGENDA HEADING:

Hold hearing for vacation and conveyance of the north/south alley between 6th Avenue and 2nd Street and between High Street and Watson Powell, Jr. Way to the Roman Catholic Diocese of Des Moines for \$1,000, and to Principal Life Insurance Company for \$1,000.

SYNOPSIS:

Recommend vacation and conveyance of a portion of such property to the Roman Catholic Diocese of Des Moines, Christopher R. Pose, Attorney, 601 Grand Avenue, Des Moines, Iowa, 50309-2501, for \$1,000 and of the remainder to Principal Life Insurance Company, Jed Fisk, Vice President – Corporate Services, 711 High Street, Des Moines, Iowa, 50309, for \$1,000. This property is being requested for purchase by the Catholic Diocese of Des Moines for parking lot expansion.

The sale of the property is subject to the City reserving several permanent easements, including a permanent easement for continued public access across the property for vehicular and pedestrian travel. Except for easement reservations, there is no other current or anticipated public need for this property. This action is required by Iowa law prior to making a final determination on the proposed sale by resolution.

FISCAL IMPACT:

Amount: \$2,000 (Revenue)

Funding Source: Sale proceeds will be deposited into the Property Maintenance Endowment Fund, SP767, ENG980500. The first \$175,000 of annual proceeds to the Property Maintenance Endowment Fund will be returned to the General Fund (GE001, ENG040700) to offset the operating budget of the Engineering – Real Estate Division.

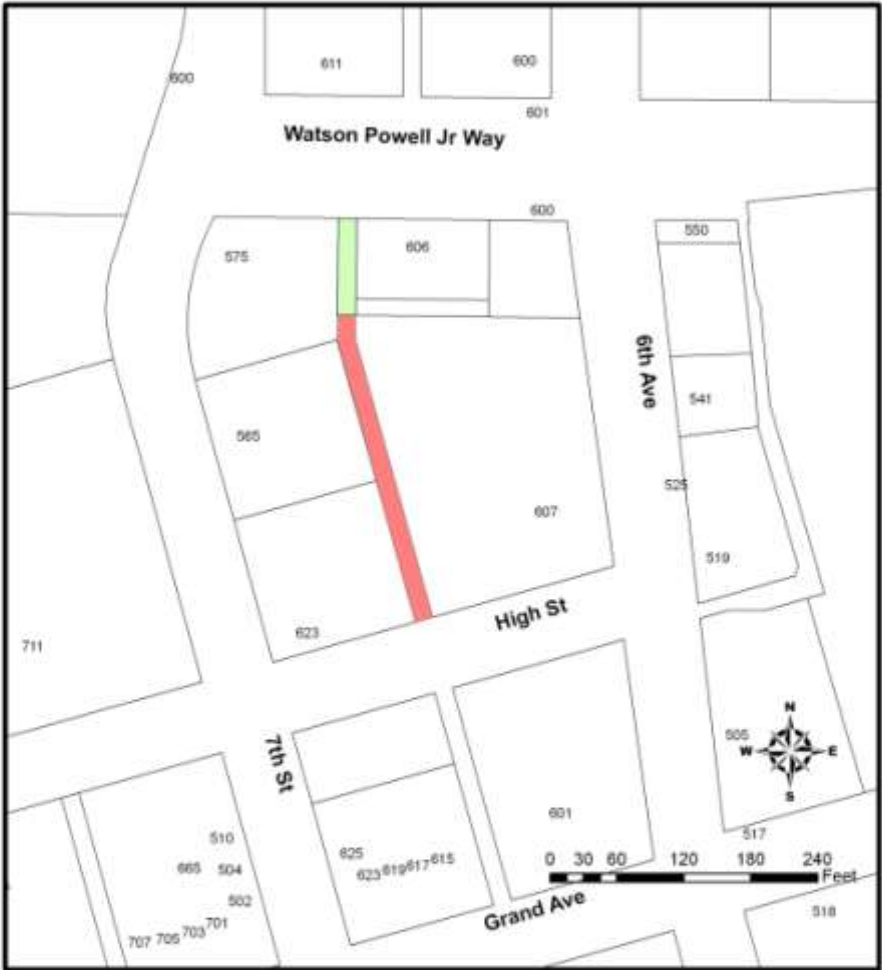
ADDITIONAL INFORMATION:

The Roman Catholic Diocese of Des Moines is the owner of property at 623 High Street that abuts the above-described right-of-way, and has offered to the City of Des Moines the purchase price of \$1,000 for a portion of the property for parking lot expansion. Principal Life Insurance Company is the owner of 575 7th Street which also abuts the right-of-way and has also offered the City of Des Moines \$1,000 for the remaining portion of the property. The purchase price reflects the restricted use fair market value of the property as estimated by the City's Real Estate Division.

The Roman Catholic Diocese of Des Moines and Principal Life Insurance Company, with the City Real

Estate Division, have negotiated the terms of their respective Offers to Purchase which include, among other terms, provisions that (1) the use of the right-of-way is subject to easement for existing utilities; (2) the conveyance is subject to a public access easement across the vacated property for vehicular and pedestrian travel, with buyer responsibility for snow, ice and obstruction removal to allow for such access; (3) the property is subject to a no-build, no parking and no-obstruction restriction; (4) provision of a recorded covenant that requires any interim or permanent use on the property or adjoining properties to be in conformance with a development plan approved by the City Council; and (5) the public access easement and no-build restrictions can be removed, upon resolution by the City Council, following appraisal of the property and payment by the buyer of the unrestricted fair market value thereof.

The property consists of approximately 6,118 square feet, of which 4,680 square feet is being purchased by the Roman Catholic Diocese of Des Moines and 1,438 square feet is being purchased by Principal Life Insurance Company. There is no current or anticipated public need for this property.



Legend	Disposition-
 Roman Catholic Diocese	Principal Life Insurance Company &
 Principal Life Insurance	Roman Catholic Diocese of Des Moines

PREVIOUS COUNCIL ACTION(S):

Date: July 11, 2011

Roll Call Number: 11-1194

Action: [On](#) vacation of north/south alley between 6th Avenue and 7th Street and High Street and Watson Powell Jr. Way to Roman Catholic Diocese of Des Moines, \$1,000, and to Principal Life Insurance Company, \$1,000, (7-25-11). Moved by Meyer to adopt. Motion Carried 7-0.

Date: July 11, 2011

Roll Call Number: 11-1195

Action: [Recommendation](#) from Plan and Zoning Commission. Moved by Meyer to receive, file and refer to the Engineering Department, Real Estate Division. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Plan and Zoning Commission

Date: July 7, 2011

Resolution Number: 11-2011-1.09

Action: Recommend approval for vacation and conveyance of the north/south alley between 6th Avenue and 7th Street and between High Street and Watson Powell, Jr. Way to the Roman Catholic Diocese of Des Moines, \$1,000, and to Principal Life Insurance Company, \$1,000, subject to restrictions.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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