 <p style="text-align: center;"><b>Council</b> <b>Communication</b> Office of the City Manager</p>	<b>Date:</b>	May 7, 2012
	<b>Agenda Item No.</b>	<b>56</b>
	<b>Roll Call No.</b>	[ _____ ]
	<b>Communication No.</b>	<u>12-219</u>
	<b>Submitted by:</b>	<b>Jeb E. Brewer, P.E., City Engineer</b>

**AGENDA HEADING:**

Hold hearing for the conveyance by installment contract of the vacated east/west and north/south alley right-of-ways adjoining 319 SW 5th Street, to Create 319, L.L.P. for \$8,000.00.

**SYNOPSIS:**

Recommend approval for the conveyance of a portion of vacated alley right-of-ways adjoining 319 SW 5th Street, to Create 319, L.L.P., Craig Fitzjunker, Partner and Andre Delong, Partner, Des Moines, Iowa 50309, for \$8,000 by installment contract over a five (5) year period. This action is required by Iowa law prior to making a final determination on the proposed sale by resolution. There is no current or anticipated public need for this property, except for reservation of a utility easement. The conveyance of this property will return it to the tax rolls and will help reduce the City’s cost of ownership of excess land.

**FISCAL IMPACT:**

Amount: \$8,000.00 (Revenue)

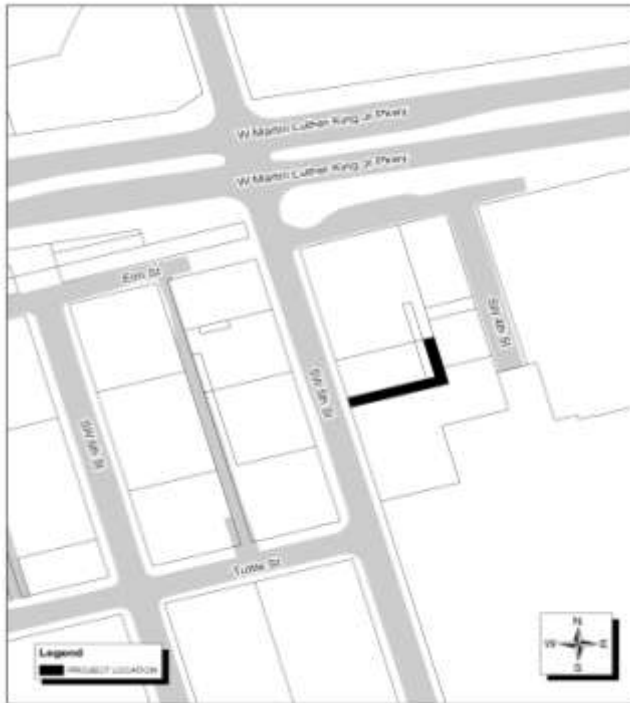
Funding Source: Sale proceeds will be deposited into the Property Maintenance Endowment Fund, SP767, ENG980500. The first \$175,000 of annual proceeds to the Property Maintenance Endowment Fund will be returned to the General Fund (GE001, ENG040700) to offset the operating budget of the Engineering –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

**ADDITIONAL INFORMATION:**

On September 27, 1993, by Roll Call No. 93-3628, the City Council of the City of Des Moines adopted an ordinance vacating all of the 16.5 foot north/south alley right-of-way lying west of and adjoining Lots 54 through 63, Railroad Addition, and the 16.5 foot east/west alley right-of-way lying south of and adjoining Lot 6, Factory Addition, and a portion of said vacated right-of-way was thereafter conveyed pursuant to Roll Call No. 93-3626.

Create 319 LLP is the adjoining titleholder to the remaining sections of the above vacated alleys and has agreed to purchase these vacated right-of-ways, subject to a no-build easement and an easement for the continued use and maintenance of any utilities now in place. Create 319 LLP’s existing building at 319 SW 5th Street is built on the property line and the alleys are needed for assemblage to their property to meet current building code requirements for replacement of a damaged fire escape.

The purchase price of \$8,000 is equal to the estimated restricted use fair market value of the right-of-ways as determined by the City's Real Estate Division. The buyer will pay the purchase price over five (5) years with an initial down payment of 10% followed by semi-annual payments with an interest rate of 3.5% per year. The buyer, or their successors, can have the no-build easement released in the future by paying an additional \$8,000 in consideration.



**PREVIOUS COUNCIL ACTION(S):**

Date: April 23, 2012

Roll Call Number: [12-0604](#)

Action: [Set](#) hearing for the conveyance by installment contract of the vacated east/west and north/south alley right-of-ways adjoining 319 SW 5th Street, to Create 319, L.L.P. for \$8,000.00.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).