

Council Communication

Office of the City Manager

Date: May 21, 2012

Agenda Item No. 56

Roll Call No. 12-0830 Communication No. 12-250

Submitted by: Jeb E. Brewer, P.E.,

City Engineer

AGENDA HEADING:

Hearing for vacation and conveyance of a subsurface portion of East Walnut Street for a permanent subsurface easement for Fat, Oil and Grease (FOG) Interceptor adjoining 101 East Locust Street (Embassy Suites) to Atrium Finance III, L.P. for \$2,700.

SYNOPSIS:

Recommend approval for vacation and conveyance of such easement to Atrium Finance III, L.P., Joe Morrissey, Officer, 4243 Hunt Road, Blue Ash, Ohio, 45242-6645, for installation of a Fat, Oil and Grease Discharge (FOG) Interceptor for a building improvement to the Embassy Suites Hotel, as required by Des Moines Municipal Code Sections 118-421 et seq. There is no 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:

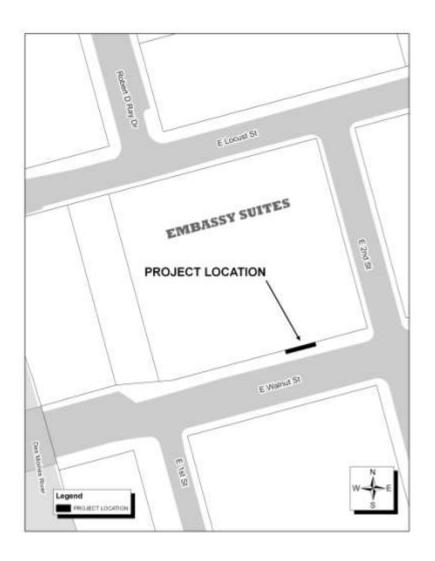
Amount: \$2,700 (Revenue)

<u>Funding Source</u>: 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 May 7, 2012, by Roll Call No. 12-0693, the City Council received the recommendation from the Plan and Zoning Commission to vacate a subsurface portion of East Walnut Street adjoining the property locally known as 101 East Locust Street (Embassy Suites Hotel), subject to acquisition by Atrium Finance III, L.P., of a subsurface easement in said area for a fat, oil and grease discharge (FOG) interceptor as required by Des Moines Municipal Code Sections 118-421 et seq.

Atrium Finance III, L.P., the owner of property at 101 East Locust Street, has offered the City of Des Moines the purchase price of \$2,700 for a permanent subsurface easement along East Walnut Street. The easement area consists of approximately 270 square feet and is required for installation, operation and maintenance of a Fat, Oil and Grease (FOG) Interceptor for building improvements to the Embassy Suites Hotel. The purchase price reflects the restricted-use fair market value of the easement interest as currently estimated by the City's Real Estate Division.



PREVIOUS COUNCIL ACTION(S):

Date: May 7, 2012

Roll Call Number: 12-0694

<u>Action</u>: On vacation and conveyance of a subsurface easement for fat, oil and grease discharge (FOG) interceptor adjoining 101 E. Locust Street (Embassy Suites) to Atrium Finance III, LP, \$2,700, (5-21-12). Moved by Hensley to adopt. Motion Carried 7-0.

Date: May 7, 2012

Roll Call Number: 12-0693

Action: Receive and file recommendation from Plan and Zoning Commission regarding request from Atrium Finance III, LP (owner) represented by Joe Morrissey (officer) for vacation of a 45-foot by 6-foot segment of the subsurface rights within the Walnut Street right-of-way adjoining the property at 101 East Locust Street, to allow for placement of a Fats, Oils, and Grease (FOG) interceptor on the sanitary sewer service for the Embassy Suites Hotel. Moved by Hensley to receive and file and refer to the Engineering Department, Real Estate Division. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Plan and Zoning Commission

Date: May 3, 2012

Resolution Number: 11-2012-1.06

<u>Action</u>: Request from Atrium Finance III, LP (owner) represented by Joe Morrissey (officer) for vacation of a 45-foot by 6-foot segment of the subsurface rights within the north six (6) feet of the Walnut Street right-of-way adjoining the property at 101 East Locust Street, to allow for placement of a Fat, Oil, and Grease (FOG) Interceptor on the sanitary sewer service within the public right-of-way for the Embassy Suites Hotel.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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