 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b>	June 10, 2013
	<b>Agenda Item No.</b>	47
	<b>Roll Call No.</b>	<u>13-930</u>
	<b>Communication No.</b>	<u>13-282</u>
	<b>Submitted by:</b>	Jeb E. Brewer, P.E., City Engineer

**AGENDA HEADING:**

Resolution closing public hearing on the vacation of portions of Walnut, 7th and 8th Streets adjoining the Younkens Building at 713 Walnut Street and the conveyance of an easement upon such vacated rights-of-way to legalize the existing building encroachments.

**SYNOPSIS:**

Recommend approval for vacation and conveyance of such easement to the owner of the Younkens Building, NMI YB, LLC, Joe Alexander, President, Alexander Company, 145 East Badger Road, Suite 200, Madison, Wisconsin, 53713, to legalize existing building encroachments. The portions of the public right-of-way occupied by the building encroachments have previously been allowed under authority of a series of temporary areaway permits that require annual administration and renewal. This action is required by Iowa law prior to making a final determination on the proposed sale by resolution.

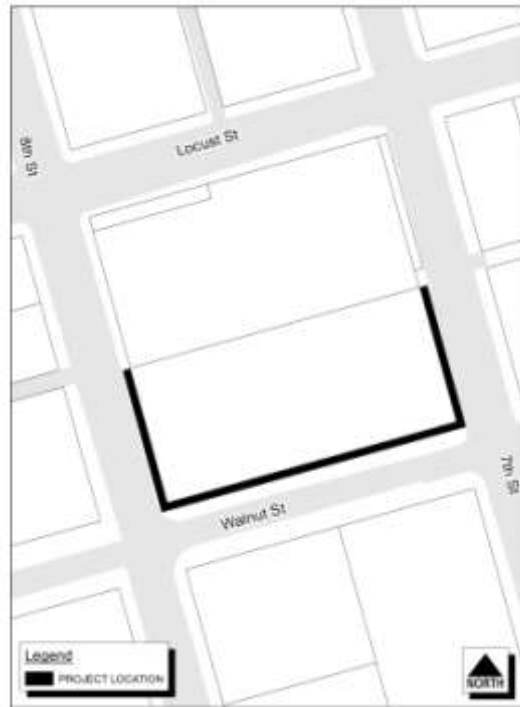
**FISCAL IMPACT: NONE**

**ADDITIONAL INFORMATION:**

The Younkens Building at 713 Walnut Street was constructed in 1899 with a basement that extends under the adjoining public sidewalks along Walnut, 7<sup>th</sup> and 8<sup>th</sup> Streets, with building encroachments at the ground level that extend into the adjoining public rights-of-way, and with architectural projections that encroach into the air rights over the adjoining public rights-of-way. The building encroachments have previously been allowed under authority of a series of temporary areaway permits that require annual administration and renewal.

The Younkens Building is currently owned by NMI YB, LLC, and they have requested that the City vacate the rights-of-way occupied by the building encroachments and convey them an easement for the continued use, maintenance, and repair of the existing building encroachments for the remaining life of the building.

The portions of the right-of-way occupied by the building encroachments have not been used for public purposes for over 100 years, and the vacation of those areas will have no impact upon the continued use of the adjoining public rights-of-way. The fair market value of the easements to be conveyed is \$30,000, as estimated by the City's Real Estate Division, which reflects the restricted-use fair market value of the easement interests. No payment will be made for the easements, as the cost for the easements will be offset with economic development incentives being provided by the City for redevelopment of the Younkens Building.

**PREVIOUS COUNCIL ACTION(S):**

Date: May 20, 2013

Roll Call Number: [13-0797](#)

Action: [On](#) vacation of portions of Walnut, 7th and 8th Streets adjoining the Younkens Building at 713 Walnut Street and the conveyance of an easement upon such vacated rights-of-way to legalize existing building encroachments, (6-10-13). Moved by Hensley to adopt. Motion Carried 7-0.

Date: December 3, 2012

Roll Call Number: [12-1883](#), [1884](#), [1885](#)

Action: Items regarding historic renovation of former Younkens building at 713 Walnut Street: ([Council Communication No. 12-600](#))

- (A) [Approving](#) \$3,000,000 in Community Development Block Grant Disaster Recovery (CDBG-DR) funds and \$250,000 HOME Investment Partnerships Funding (HOME) loan with 713 Walnut, LLC for the development of 120 housing units as part of the Younkens Building Project. Moved by Hensley to adopt. Motion Carried 7-0.
- (B) [Approving](#) Urban Renewal Development Agreement with the Alexander Company, Inc. and Conceptual Development Plan. Moved by Hensley to adopt. Motion Carried 7-0.
- (C) [Approving](#) application for Enterprise Zone Benefits to be referred to the Des Moines Enterprise Zone Commission and the Iowa Economic Development Authority for Younkens Building, LLC (Joe Alexander, President, Alexander Company) \$35 million dollar project constructing 120 housing units at 713 Walnut Street in the Gateway Enterprise Zone. Moved by Hensley to adopt. Motion Carried 7-0.

Date: June 11, 2012

Roll Call Number: [12-0893](#)

Action: [Regarding](#) amended preliminary terms of agreement with The Alexander Company, for redevelopment of the former downtown Younkers Department Store, 813 Walnut Street. ([Council Communication No. 12-260](#)) Moved by Hensley to receive, file and approve amended preliminary terms of agreement as set forth in the accompanying Council Communication and to direct the City Manager to proceed with negotiations of formal agreements with The Alexander Company consistent with such terms. Motion Carried 7-0.

Date: November 8, 2010

Roll Call Number: [10-1849](#)

Action: [Major](#) Amendment No. 4 to Community Development Block Grant Housing Disaster Recovery (CDBG-DR) Fund Contract with Iowa Department of Economic Development (IDED) adding funds for Anawim/Hubbell Project in 2200 block of Forest Avenue and Younkers Building/Alexander Company projects. ([Council Communication No. 10-675](#)) Moved by Hensley to approve. Motion Carried 7-0.

Date: October 25, 2010

Roll Call Number: [10-1782](#)

Action: [Preliminary](#) terms of agreement with The Alexander Company for redevelopment of the former downtown Younkers Department Store at 713 Walnut Street. ([Council Communication No. 10-623](#)) Moved by Hensley to receive, file and approve preliminary terms of agreement set forth in the Council Communication and to direct the City Manager to proceed with negotiations of formal agreements with The Alexander Company consistent with the terms set forth in the Council Communication. Motion Carried 7-0.

Date: June 28, 2010

Roll Call Number: [10-1096](#)

Action: Submittal of Multi-Family New Construction Applications for Community Development Block Grant Disaster Recovery (CDBG-DR) funds to the Iowa Department of Economic Development (IDED) for the following: ([Council Communication No. 10-391](#))

- A) [Redevelopment](#) of 140 rental units at 713 Walnut (Former Younkers Building), \$3,060,000.  
Moved by Griess to approve. Motion Carried 7-0.

Date: December 8, 2008

Roll Call Number: [08-2161](#)

Action: [Communication](#) from the Office of Economic Development seeking authorization to negotiate with New Market Investors, LLC for possible redevelopment of the former Younkers Building, 713 Walnut Street. ([Council Communication No. 08-728](#)) Moved by Hensley to receive, file and authorize

the City Manager to negotiate with New Market Investors, LLC as set forth in the accompanying Council Communication and to direct the City Manager to engage the State of Iowa, Polk County, the local business community, and other stakeholders to gauge their interest in assisting with the redevelopment of the property. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S):**

Board: Urban Design Review Board

Date: July 17, 2012

Resolution Number: N/A

Action: Motion for final approval as submitted by Hearn. Seconded by Rypma. Motion carried.

Board: Urban Design Review Board

Date: June 19, 2012

Resolution Number: N/A

Action: Motion to approve by Allen. Seconded by Clark. Motion carried.

Board: Urban Design Review Board

Date: February 15, 2011

Resolution Number: N/A

Action: No action taken. Board requested that Low Income Housing Tax Credits be evaluated for the projected to potentially reduce the amount of City tax increment assistance needed.

**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 first 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).