

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: July 15, 2013
	Agenda Item No. 12 Roll Call No. <u>13-1083</u> Communication No. <u>13-360</u> Submitted by: Matthew A. Anderson, Assistant City Manager and Jeb E. Brewer, P.E., City Engineer

AGENDA HEADING:

Resolution releasing restrictive covenants reserved in the prior conveyance of a segment of vacated alley within property at 1300 Des Moines Street now proposed to be acquired by Des Moines Area Community College (DMACC).

SYNOPSIS:

Recommend release of restrictive covenants reserved in the prior conveyance of a segment of vacated alley within property at 1300 Des Moines Street now proposed to be acquired by DMACC (Robert J. Denson, President, 2006 South Ankeny Boulevard, Ankeny, Iowa 50023-3993).

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

On December 6, 1993, by Roll Call No. 93-4471, the City Council approved the sale to Des Moines General Hospital Company of a segment of vacated alley located in the vicinity of 1300 Des Moines Street, subject to reservation of restrictive covenants. A taxable medical office building was subsequently constructed at 1300 Des Moines Street over the vacated alley as required by the restrictive covenants. The restrictive covenants further provide that the building and underlying ground should remain taxable, and if such property obtains tax exempt status, the owner shall pay to the City as liquidated damages an annual payment in lieu of taxes equal to 100% of the property taxes that would have been levied upon the building and underlying land if it had not obtained tax exempt status.

DMACC is in the process of purchasing the property at 1300 Des Moines Street, including the segment of vacated alley that is subject to restrictive covenants, for classroom and office space in support of its educational purposes. They have requested that the City release the restrictive covenants described above. The restrictive covenants are recommended for release, as DMACC will provide a valuable service to the community, will serve a compelling public purpose, and is consistent with the City's Comprehensive Plan which designates the area for public/semi-public uses such as government facilities, schools, and hospitals.



PREVIOUS COUNCIL ACTION(S):

Date: December 6, 1993

Roll Call Number: 93-4471

Action: On conveyance of the east/west alley right-of-way in the vicinity of 1300 Des Moines Street to Des Moines General Hospital Company.

Date: August 17, 1981

Roll Call Number: 81-4111

Action: Passed Ordinance No. 9973 vacating the east/west alley right-of-way in the vicinity of 1300 Des Moines Street.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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