 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b>	March 24, 2014
	<b>Agenda Item No.</b>	<b>20</b>
	<b>Roll Call No.</b>	<b><u>14-0480</u></b>
	<b>Communication No.</b>	<b><u>14-129</u></b>
	<b>Submitted by:</b>	<b>Matthew A. Anderson, Assistant City Manager</b>

**AGENDA HEADING:**

Resolution scheduling date of public hearing on proposed sale of City-owned property at 505 East Grand Avenue to 505 East Grand, LLC for \$369,600.

**SYNOPSIS:**

Set date of the public hearing on the proposed sale of the City-owned surface parking lot located at the southeast corner of East Grand Avenue and East Fifth Street to 505 East Grand, LLC (Jake Christensen, Christensen Development, 506 3<sup>rd</sup> Street, Des Moines, Iowa) for the construction of a new 18,000-square-foot building for retail and commercial space.

**FISCAL IMPACT:**

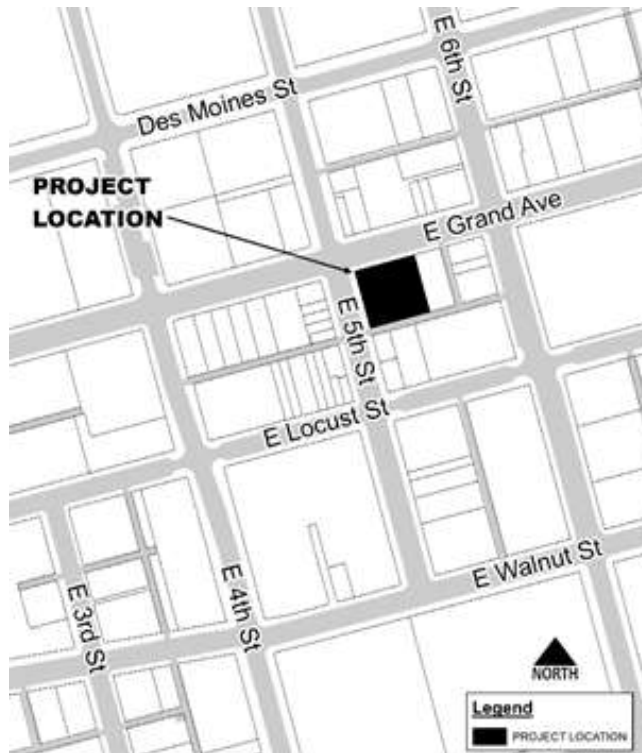
Amount: \$369,600 (Revenue)

Funding Source: Economic Development General Fund, CM022000 G001

**ADDITIONAL INFORMATION:**

The City has owned the surface parking lot located on the southeast corner of East 5<sup>th</sup> Street and East Grand Avenue since the late 1960s. The site is currently used for leased parking with some metered parking available on this approximately 18,500-square-foot site. The proposed sale price of \$369,600 is based on comparable property sales in the East Village. The City’s Real Estate Division considers the sale price to be within a reasonable and acceptable range of the fair market value of the property.

Jake Christensen approached the City Council in November 2013 and requested the sale of the property for development. The Council directed staff to work with him on preparing a development proposal. As has been related in various news articles, his proposed major first floor tenant, Raygun (400 East Locust Street), is under a tight timeline to relocate due to the sale of his current leased retail space, and this project has proceeded rapidly with the developer’s goal of starting construction as quickly as possible.



**PREVIOUS COUNCIL ACTION(S):**

Date: November 18, 2013

Roll Call Number: [13-1850](#)

Action: [Authorizing](#) the City Manager to negotiate preliminary terms of developer initiated proposals for the purchase and redevelopment of two separate City-owned parcels for two projects in the East Village Area (East 4<sup>th</sup> Street and Grand Avenue) and initiating a parking study of the affected area. ([Council Communication No. 13-567](#)) Moved by Hensley to adopt. Motion Carried 6-0.

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

Board: Urban Design Review Board

Date: March 4, 2014

Resolution Number: NA

Action: Recommended approval of proposed economic development assistance and approved preliminary design plans.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- On March 25, 2014, the Urban Design Review Board will review final design plans and make its recommendation to the City Council.
- The public hearing on the sale of the property will be at the Council's April 7, 2014 meeting.
- The proposed development agreement, including the financial assistance, will be on the Council's April 21, 2014 agenda, subject to approval of the sale to the developer at its April 7, 2014 meeting.

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).