 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: July 28, 2014
	Agenda Item No. 43B&C Roll Call No. <u>14-1164-5</u> Communication No. <u>14-367</u> Submitted by: Jeb E. Brewer, P.E., City Engineer, and Matthew A. Anderson, Assistant City Manager

AGENDA HEADING:

Hearing for vacation of portions of Elm Street and SW 6th Street right-of-way adjoining 300 SW 5th Street and 300 SW 6th Street and conveyance of such right-of-way and other adjoining City-owned property to Harbach Building, LLC for \$51,960, and to JB Doors Partnership for \$71,000.

SYNOPSIS:

Recommend approval for vacation of portions of Elm Street and SW 6th Street right-of-way adjoining 300 SW 5th Street and conveyance of such right-of-way and other adjoining City-owned property to Harbach Building, LLC, Kent Mauck, Member, 3822 Greenwood, Des Moines, IA, 50312, for \$51,960, and to JB Doors Partnership, Marvin Jones, Owner, 300 SW 6th Street, Des Moines, IA, 50309, for \$71,000. 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.

This right-of-way and City-owned property will be incorporated with the adjoining properties for construction of parking lots that are needed to support the adjacent businesses. Closing on the sale of the property is subject to site plan approval and other conditions as listed below.

FISCAL IMPACT:

Amount: \$122,960 (Revenue)

Funding Source: 2014-15 CIP, Page Street Improvements - 15, Fed Title-23 Land Sales, ST500 - \$67,882

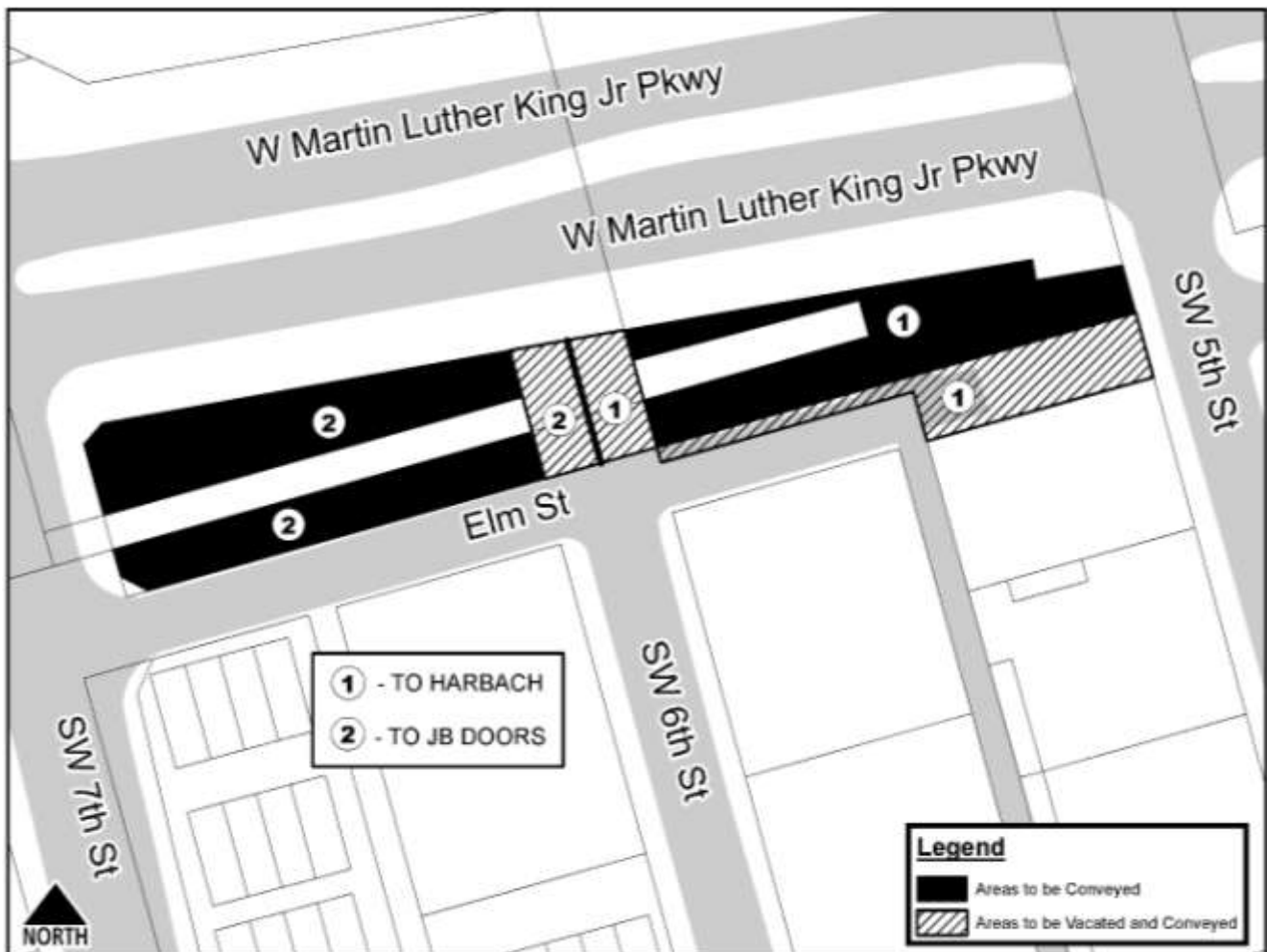
Non-project related land sale proceeds are used to support general operating budget expenses: Org-EG064090 - \$55,078.

ADDITIONAL INFORMATION:

On July 17, 2014, the City’s Plan and Zoning Commission considered a request by Harbach Building, LLC and JB Doors Partnership that portions of Elm Street and SW 6th Street right-of-way adjoining 300 SW 5th Street and 300 SW 6th Street be vacated subject to reservation of an easement for any existing utilities and an easement for public access for pedestrian traffic between SW 6th Street and West Martin Luther King, Jr. Parkway sidewalk, site plan review and approval.

Harbach Building, LLC is the purchaser of the property at 300 SW 5th Street and has offered to the City of Des Moines the purchase price of \$51,960, and JB Doors Partnership (owner of 300 SW 6th Street) has offered the purchase price of \$71,000 for the vacation and purchase of the City right-of-way and other adjoining City-owned property. The property being purchased by Harbach Building, LLC consists of approximately 19,756 square feet and the property being purchased by JB Doors Partnership consists of approximately 18,897 square feet. The original request from Harbach Building, LLC was for 20,652 square feet, but after publication, Harbach Building, LLC requested a reduction in the square footage and purchase price to address the vehicle maneuvering concerns raised by the adjoining property owner. The purchase price of both parcels reflects the restricted-use fair market value of the properties as determined by an independent appraisal.

The City's Real Estate Division has negotiated terms of the Offers to Purchase, which Offers include among other terms: (1) the use of the property is subject to an easement for existing public utilities; (2) closing by Harbach Building LLC is subject to them closing on the purchase of 300 SW 5th Street; (3) the property is subject to a no-build restriction prohibiting improvements other than parking lots and associated improvements, which restriction can be removed in the future by resolution of the City Council following appraisal of the property and payment by the buyer of the unrestricted fair market value thereof, less the purchase price already paid; (4) any conditions set forth in the Plan and Zoning Commission recommendation.



PREVIOUS COUNCIL ACTION(S):

Date: July 14, 2014

Roll Call Number: [14-1054](#)

Action: [On](#) vacation of portions of Elm Street and SW 6th Street right-of-way adjoining the following, (7-28-14): 300 SW 5th Street and conveyance of such right-of-way and other adjoining excess City-owned property to Harbach Building, LLC, \$54,000. Moved by Hensley to adopt. Motion Carried 7-0.

Date: July 14, 2014

Roll Call Number: [14-1055](#)

Action: [On](#) vacation of portions of Elm Street and SW 6th Street right-of-way adjoining the following, (7-28-14): 300 SW 6th Street and conveyance of such right-of-way and other adjoining excess City-owned property to JB Doors Partnership, \$71,000. Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Plan and Zoning Commission

Date: July 17, 2014

Resolution Number: 11-2014-1.06

Action: Request from Kent Mauck (purchaser), Ricon, LLC (owner) represented by David Isaacson and JB Doors Partnership (Owner) represented by Marbin Jones for vacation of the following segments of right-of-way general located south of Southwest Martin Luther King, Jr. Parkway, north of Elm Street, west of Southwest 5th Street and east of Southwest 7th Street:

- (A) Portions of Elm Street between SW 5th Street and Southwest 6th Street
- (B) Southwest 6th Street between Elm Street and Southwest M.L. King, Jr. Parkway

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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