 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: July 25, 2016
	Agenda Item No. 57 Roll Call No. <u>16-1253</u> Communication No. <u>16-403</u> Submitted by: Pamela S. Cooksey, P.E., City Engineer

AGENDA HEADING:

Hold hearing for vacation and conveyance of a portion of West Martin Luther King, Jr. Parkway (former Market Street) right-of-way located west of 16th Street and north of West Martin Luther King, Jr. Parkway to Exile Brewing Company, LLC for \$49,000.

SYNOPSIS:

Recommend approval of the vacation and conveyance by installment contract of a portion of West Martin Luther King, Jr. Parkway (former Market Street) right-of-way located west of 16th Street and north of West Martin Luther King, Jr. Parkway to Exile Brewing Company, LLC, Robert J. Tursi, Member, 1514 Walnut Street, Des Moines, Iowa, 50309, for \$49,000, subject to conditions contained in the Planning and Zoning Commission recommendation and the Real Estate Purchase Installment Contract.

The sale of this excess street right-of-way will allow Exile Brewing Company, LLC to provide a surface parking lot for employees and/or patrons of Exile Brewing Company which is located at 1514 Walnut Street. This action is required by Iowa law prior to making a final determination on the proposed sale by resolution. This property was originally acquired as part of the Martin Luther King, Jr. Parkway project. There is no current or anticipated public need or benefit for this property, and this conveyance will eliminate future maintenance and liability costs for the City and will return the property to the tax rolls.

FISCAL IMPACT:

Amount: \$49,000 (Revenue)

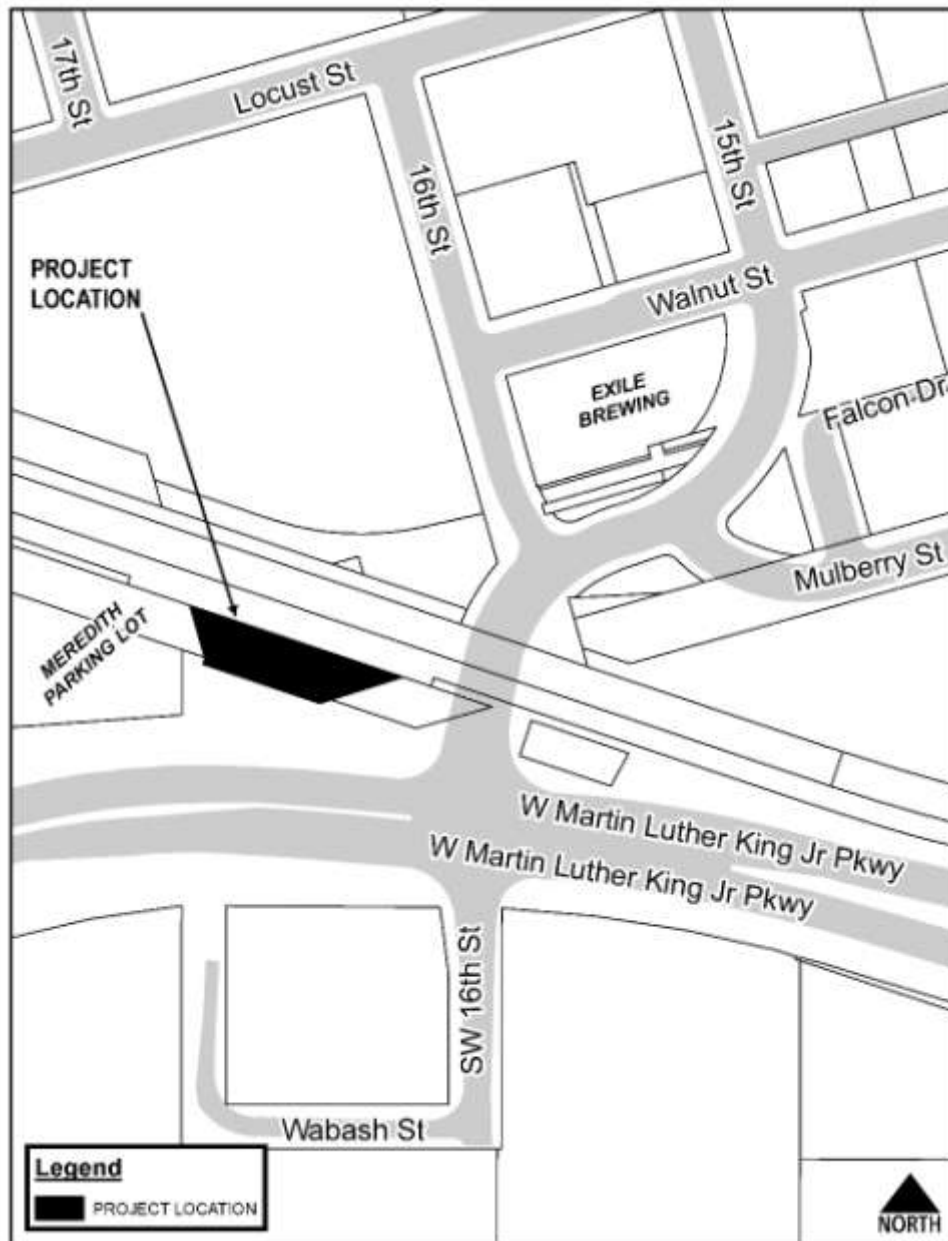
Funding Source: Non-project related land sale proceeds are used to support general operating budget expenses: Org – EG064090.

ADDITIONAL INFORMATION:

- Exile Brewing Company, LLC has offered to the City of Des Moines the purchase price of \$49,000 for the purchase of a portion of West Martin Luther King, Jr. Parkway (former Market Street) right-of-way located west of 16th Street and north of West Martin Luther King, Jr. Parkway by Real Estate Purchase Installment Contract.
- The purchase price, plus interest at the rate of 3.75% per annum, will be paid in annual installments over a 7-year period with the first payment of \$8,088.61 being due on or before the date of the City

Council hearing, and prior to possession by Exile. If the contract is successfully paid in full the total amount of principal and interest paid will be \$56,620.

- The contract is also subject to reservation of a permanent easement for existing utilities and a permanent no-build easement, both of which will be contained in and recorded with the deed.
- The property to be conveyed consists of approximately 11,500 square feet, and the purchase price of \$49,000 reflects the fair market value of the property as determined by the City’s Real Estate Division.
- There is no current or anticipated public need or benefit for this property, and this conveyance will eliminate future maintenance and liability costs for the City and will return the property to the tax rolls.



PREVIOUS COUNCIL ACTION(S):

Date: July 11, 2016

Roll Call Number: [16-1118](#)

Action: [On](#) vacation and conveyance of a portion of West Martin Luther King, Jr. Parkway (former Market Street) right-of-way, west of 16th Street and north of West Martin Luther King, Jr. Parkway, to Exile Brewing Company, LLC for surface parking for employees and patrons, \$49,000, (7-25-16).

BOARD/COMMISSION ACTION(S):

Board: City Plan and Zoning Commission

Date: June 16, 2016

Resolution Number: 11-2016-1.13

Action: Recommend approval of a City-initiated request for vacation of a segment of West Martin Luther King Jr. Parkway right-of-way located at the northwest corner of West Martin Luther King Jr. Parkway and 16th Street.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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