

Council Communication

Office of the City Manager

Date: October 10, 2016

Agenda Item No. 60

Roll Call No. <u>16-1767</u>

Communication No. 16-584

Submitted by: Pamela S. Cooksey,

P.E., City Engineer

AGENDA HEADING:

Continued hearing on sale of excess City-owned property currently leased to the Des Moines Airport Authority and located north of and adjoining McKinley Avenue at Southwest 33rd Street to Glen Brown and April Barkley Brown for \$120,000.

SYNOPSIS:

Recommend approval of the conveyance of excess City-owned real property currently leased to the Des Moines Airport Authority and located along McKinley Avenue at Southwest 33rd Street to Glen Brown and April Barkley Brown, 3820 SW 32nd Street, Des Moines, Iowa, 50321, for \$120,000, subject to obtaining a noise and avigation easement, and reservation of a utility easement, and further subject to the terms and conditions contained in the Offer to Purchase Real Estate from the City of Des Moines and Acceptance.

The sale of this excess City-owned property will allow Glen Brown and April Barkley Brown to develop the site with a single-family home. This action is required by Iowa law prior to making a final determination on the proposed sale by resolution. The lease agreement between the City of Des Moines and the Des Moines Airport Authority covering the portion of property being sold will be extinguished prior to conveying the property to the Browns. There is no current or anticipated public need or benefit for the property to be vacated and conveyed.

FISCAL IMPACT:

<u>Amount</u>: 120,000 (Revenue)

<u>Funding Source</u>: Non-project related land sale proceeds are used to support general operating budget expenses: Org – EG064090, and upon deposit, shall be reimbursed to the Des Moines Airport Authority in accordance with federal law.

ADDITIONAL INFORMATION:

- On August 9, 2016, by Roll Call No. A16-047, the Des Moines Airport Authority Board voted to recommend that the City of Des Moines proceed with the sale of property, which is currently leased to the Des Moines Airport Authority by the City of Des Moines.
- On August 22, 2016, by Roll Call No. 16-1401, the City Council of the City Des Moines, Iowa voted to receive and file the Des Moines Airport Authority Board's recommendation to proceed with the sale and set September 12, 2016 as the date of the hearing for the proposed sale.

- On September 12, 2016, by Roll Call No. 16-1568, the hearing on said proposal was continued to September 26, 2016 in order to allow the Federal Aviation Administration to complete its review of an updated appraisal for the proposed sale and obtain a written grant release of the property.
- On September 26, 2016, by Roll Call No. 16-1666, the hearing on said proposal was again continued to October 10, 2016, in order to allow the Federal Aviation Administration to complete its review of an updated appraisal for the proposed sale and obtain a written grant release of the property.
- The City of Des Moines and Glen Brown and April Barkley Brown have negotiated a purchase agreement for the property that includes a purchase price of \$120,000, subject to the terms and conditions contained in the Offer to Purchase Real Estate from the City of Des Moines and Acceptance; subject to the reservation of easements for utilities in place; subject to Glen Brown and April Barkley Brown conveying a noise and avigation easement to the Des Moines Airport Authority; and further subject to the termination of the portion of the Real Estate Lease and Asset Transfer Agreement dated November, 1, 2011, between the Des Moines Airport Authority and the City of Des Moines, Iowa, that currently encumbers the property.
- The Property to be conveyed consists of approximately 2.31-acres, and the purchase price of \$120,000 reflects the fair market value of the property as determined by an independent appraisal dated August 30, 2016. There is no known current or future public need for the property.



PREVIOUS COUNCIL ACTION(S):

Date: September 12, 2016

Roll Call Number: 16-1568

Action: On sale of excess Airport property located north of and adjoining McKinley Avenue at SW 33rd Street and conveyance of such property to Glen Brown and April Barkley Brown, \$120,000 and to continue to September 26, 2016 at 5:00 PM to allow the FAA time to complete review of an updated appraisal and to obtain a written grant release. Moved by Hensley to adopt. Motion Carried 7-0.

Date: August 22, 2016

Roll Call Number: 16-1401

<u>Action</u>: <u>Receive</u> and file communication from the Des Moines Airport Authority Board recommending the sale of excess real property located north of and adjoining McKinley Avenue at SW 33rd Street and conveyance of such property to Glen Brown and April Barkley Brown, \$120,000, (9-12-16). Moved by Moore to adopt. Motion Carried 6-1. Absent: Hensley.

BOARD/COMMISSION ACTION(S):

Board: Des Moines Airport Authority Board

Date: June 14, 2016

Resolution Number: A16-047

<u>Action</u>: Consider lease amendment between City of Des Moines and Des Moines Airport Authority (Bryan); and consider a Form of the Offer to Purchase and Acceptance with Glen Brown and April Barkley Brown for the sale of property, Tract 8C, Parcel "A" (Bryan).

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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