 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> August 28, 2017
	<b>Agenda Item No.</b> 56 <b>Roll Call No.</b> <u>17-1509</u> <b>Communication No.</b> <u>17-622</u> <b>Submitted by:</b> Matthew A. Anderson, Assistant City Manager, Pamela S. Cooksey, P.E., City Engineer

**AGENDA HEADING:**

Hold hearing for approval of documents and conveyance of excess City property located south of and adjoining West Martin Luther King, Jr. Parkway and west of and adjoining Southwest 11th Street to HRC NFS I, LLC for \$970,000.

**SYNOPSIS:**

Recommend approval of the conveyance of excess City-owned property located south of and adjoining West Martin Luther King, Jr. Parkway and west of and adjoining Southwest 11th Street to HRC NFS I, LLC, 6900 Westown Parkway, West Des Moines, IA, 50266, for \$970,000, contingent upon HRC NFS I, LLC providing City with proof of ownership of the adjoining property currently owned by Norfolk Southern Railway. This action is required by Iowa law prior to making a final determination on the proposed sale by resolution.

The sale of the City’s property will allow the buyer to assemble the City property with the adjoining land for a proposed redevelopment project. There is no current or anticipated public need 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: \$970,000 (Revenue).

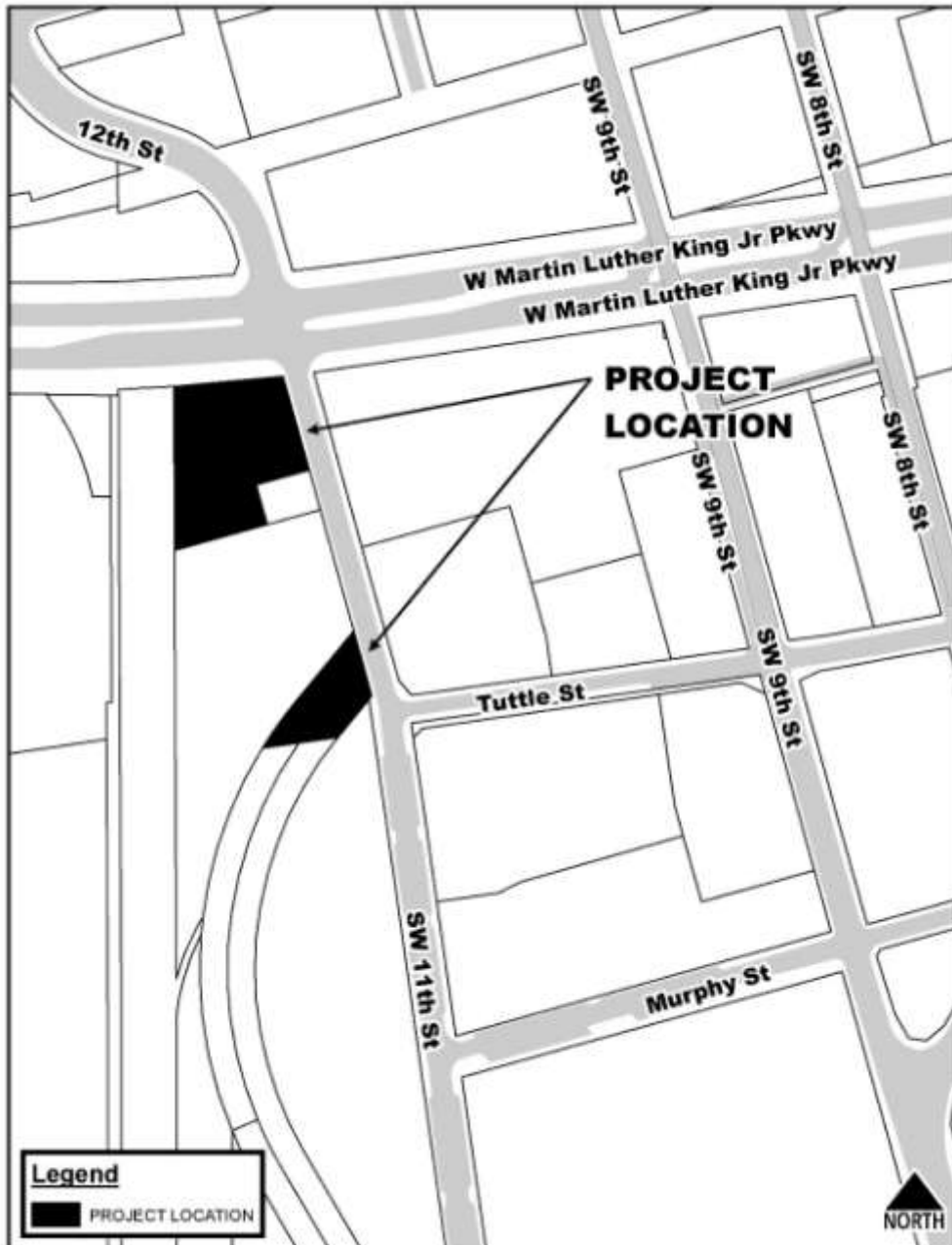
Funding Source: The proceeds from the sale of this property shall be deposited into the following account: 2017-18 CIP, Page Street Improvements - 16, Fed Title-23 Land Sales, ST500.

**ADDITIONAL INFORMATION:**

- HRC NFS I, LLC, Dan Cornelison, Senior Vice President, has negotiated with Norfolk Southern Railway an option to purchase the vacant land adjoining the City-owned property located south of and adjoining West Martin Luther King, Jr. Parkway and west of and adjoining Southwest 11th Street, and has offered to the City of Des Moines the purchase price of \$970,000.00 for the purchase of the City-owned property located south of and adjoining West Martin Luther King, Jr. Parkway and west of and adjoining Southwest 11th Street, contingent upon HRC NFS I, LLC providing City with proof of ownership of the adjoining property currently owned by Norfolk Southern Railway, and subject to the reservation of easements for

any and all utilities currently located upon the property, until such time as said utilities are abandoned or relocated at no cost to the City of Des Moines.

- The property to be conveyed consists of approximately 74,270 square feet and the purchase price of \$970,000 is equal to the fair market value of the property, as determined by an independent appraisal.
- There is no current or anticipated public need for this property, and this conveyance will allow the buyer to assemble the City property with the adjoining land for a proposed redevelopment project, eliminate future maintenance and liability costs for the City, and will return the property to the tax rolls.



**PREVIOUS COUNCIL ACTION(S):**

Date: August 14, 2017

Roll Call Number: [17-1409](#)

Action: [Setting](#) date of hearing on approval of documents and conveyance of excess City property, south of and adjoining W. Martin Luther King Jr. Pkwy., and west of and adjoining SW 11th Street, to HRC NFS I, LLC, \$970,000, (8-28-17). Moved by Hensley to adopt. Motion Carried 6-1. Nays: Cownie.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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