

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	October 9, 2017
	Agenda Item No.	51A
	Roll Call No.	<u>17-1778</u>
	Communication No.	<u>17-730</u>
	Submitted by:	Jim M. Hoff, Facilities Manager, and Pamela S. Cooksey, P.E., City Engineer

AGENDA HEADING:

Approving revised site boundary for the Municipal Services Center – Phase 2 Project and acceptance of real estate documents for voluntary acquisition of property located at 1700 Maury Street from S & P Properties, L.C. for the Municipal Services Center (MSC) – Phase 2 Project.

SYNOPSIS:

Recommend Council approval of a revised site boundary for the Municipal Services Center – Phase 2 Project and acceptance of real estate documents from S & P Properties, L.C. for voluntary acquisition of property located at 1700 Maury Street for the Municipal Services Center – Phase 2 Project. This action is required to accept real estate documents for the voluntary purchase of property located at 1700 Maury Street from S & P Properties, L.C., Steven D. Simon, President, 2728 6th Avenue, Des Moines, Iowa, 50313, for \$3,000,000. The City’s acceptance of this property will allow the site boundary for the MSC – Phase 2 Project to shift to the east, which will eliminate or reduce the acquisition needs from several other property owners that were previously identified for acquisition along the west side of the original site boundary.

FISCAL IMPACT:

Amount: \$3,000,000 plus relocation and closing costs

Funding Source: 2017-18 CIP, Page Municipal Building Improvements – 11, MSC – Phase 2, BL128, \$2,500,000 G.O. Bonds issued; \$500,000 Solid Waste Fund – cash (final cost allocation to be adjusted at a later date).

ADDITIONAL INFORMATION:

- S & P Properties, L.C. owns the industrial property shown on the Map No. 1 below, which is located at 1700 Maury Street and consists of approximately 14.75-acres. The \$3,000,000 negotiated settlement between the City and S & P Properties, L.C. is supported by independent appraisals obtained by each party.
- Relocation assistance will be necessary in order for the City to terminate a lease with Helena Chemical Company and to relocate their warehouse operation to a new location. S & P Properties, L.C. is solely responsible for the termination of all other leases and any relocation costs for all other tenants prior to closing, which shall be on or before January 8, 2018.

- Map No. 2 below shows the revised site boundary needed for the full build out of the MSC – Phase 2 project. City staff will proceed with acquisition of the remaining properties required for the revised site boundary at this time, which will allow the City to have the entire site available for construction when needed.

Map No. 1



Map No. 2



PREVIOUS COUNCIL ACTION(S):

Date: May 8, 2017

Roll Call Number: [17-0827](#) and [17-0828](#)

Action: Items regarding property acquisition for the Municipal Services Center, Phase 2 project:

- (A) [Resolution](#) rescinding Roll Call No. 17-0661 of April 17, 2017. Moved by Gatto to adopt. Motion Carried 7-0.
- (B) [Resolution](#) regarding authorization to proceed with acquisition of necessary property interests. ([Council Communication No. 17-405](#)) Moved by Hensley to adopt. Motion Carried 4-3. Nays: Coleman, Gatto and Moore.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Appraisals will be completed on the remaining properties needed for the revised site boundary and will be presented to the City Council on October 23, 2017 for the purpose of establishing the fair market value of the properties and authorizing City staff to proceed with the acquisition process.

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