

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	July 9, 2018
	Agenda Item No.	26
	Roll Call No.	<u>18-1162</u>
	Communication No.	<u>18-351</u>
	Submitted by:	Erin Olson-Douglas, Economic Development Director

AGENDA HEADING:

Request by Des Moines Transload Services, L.L.C. for City Council initiation of vacation of Right-of-Way adjoining 200 Southeast 15th Street and North of 1101 Raccoon Street.

SYNOPSIS:

Des Moines Transload Services, LLC (Steve Braithwaite, President and CEO, 115 Hickory Street, Omaha, NE 68108) is pursuing vacation and conveyance of City-owned right-of-way adjoining 200 Southeast 15th Street and north of 1101 Raccoon Street, described below, for assemblage for the construction and operation of a railroad transloading facility and for rail track connection and stormwater detention purposes:

- Southeast 15th Street from East Market Street to East MLK Jr. Parkway
- Southeast 11th Street from Raccoon Street north to the Iowa Interstate Railroad
- North/south alley between Southeast 11th Street and Southeast 12th Street from the BNSF Railroad north to the Iowa Interstate Railroad
- Southeast 12th Street from the BNSF Railroad north to the Iowa Interstate Railroad

Des Moines Transload Services, LLC has requested that the City initiate the process to consider this vacation and refer the matter to City staff and the Plan and Zoning Commission for review and recommendation to City Council.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- On November 6, 2017, by Roll Call No. 17-1916, City Council approved of the conveyance of City-owned real property located at 200 Southeast 15th Street to Des Moines Transload Services, LLC, for \$1,250,000 to establish a rail transloading facility.
- The site was identified as the preferred regional site for a railport transloading facility in 2014 after more than a decade of study by the Des Moines Area Metropolitan Planning Organization (MPO), MPO Freight Roundtable, City of Des Moines, and goods movement stakeholders. Rising fuel costs, driver shortages, interstate traffic congestion, and other issues brought focus to establishing better, more competitive truck to rail opportunities for goods movement.

- The site is adjacent to three (3) Class I and one (1) Class II rail lines, which is a rare national occurrence. This convergence opens doors for goods distribution via truck and rail transloading in Des Moines, the region, the State of Iowa, and global markets. In addition, there are potential benefits to the ongoing SE AgriBusiness Park redevelopment plans, and broader ability to market Des Moines.

PREVIOUS COUNCIL ACTION(S):

Date: June 25, 2018

Roll Call Number: [18-1102](#)

Action: [On](#) Development Agreement with Des Moines Area Metropolitan Planning Organization (MPO) for the Des Moines Transloading Facility and authorizing contingent assignment and assumption of IDOT Railroad Revolving Loan and Grant Program Loan obligations. ([Council Communication No. 18-340](#)). Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Conduct meetings of applicable boards and commissions for review of the Master Conceptual Development Plan and site plan for the project.
- Amendment of SE AgriBusiness Urban Renewal Plan for potential future Tax Increment Financing (TIF) eligible expense.

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