

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	August 6, 2018
	Agenda Item No.	32
	Roll Call No.	<u>18-1342</u>
	Communication No.	<u>18-412</u>
	Submitted by:	Erin Olson-Douglas, Economic Development Director

AGENDA HEADING:

Directing the City Manager to negotiate an agreement with Des Moines Area Regional Transit Authority (DART) to sell City-owned property at, and adjacent to, 2501 Maury Street and to negotiate purchase of DART-owned property in the vicinity of SW 11th Street and DART Way for a regional stormwater basin and reconstructed wetland and extension of DART Way to SW 11th Street.

SYNOPSIS:

Staff has been working with DART staff since 2017 to facilitate acquisition of approximately 9-acres of DART owned property needed to undertake the Gray’s Station Raccoon River regional stormwater basin reconfiguration and reconstructed wetland project and to extend DART Way (to be known as Gray’s Parkway) east to SW 11th Street. These discussions have also included DART’s interest to identify a site for future relocation of their current operations at 1100 DART Way.

DART staff has identified the property located at and adjacent to 2501 Maury Street, as well as an approximately 11-acre parcel directly south of the City-owned site as their preferred relocation site. This southern parcel is owned by Des Moines Metro Wastewater Reclamation Authority (WRA) and will be the subject of separate negotiation between DART and WRA. The WRA Board will consider this item at their August 21, 2018 meeting and direct WRA staff to move forward with negotiations with DART. The parcels will be combined by DART to meet their future facility needs.

The City-owned land includes the former Chesterfield Community Center building and is the location of greenhouses that contain operations of the City’s Park & Recreation Department. This negotiation will include provisions for the relocation of the greenhouse operations as well as a new location for a youth boxing club currently operating at the site. It is anticipated that these relocations would not take place until after DART has accumulated sufficient funds to relocate their maintenance facility.

The negotiation on the 9-acre parcel will include provisions for conveyance of the property on the timeframe required for the City’s basin project, or the provision of a construction access easement to allow work to begin on the basin, and on the timeline anticipated for the initiation of development infrastructure work under private construction contracts with the City. An approximately .59-acre section of the 9-acre parcel not required for the City’s projects is planned for conveyance to Riverpoint West, LLC (George Sherman, Principal, Sherman Associates, 233 Park Avenue South, Minneapolis, MN 55415) through a development agreement amendment process currently working toward finalizing preliminary terms for City Council review.

FISCAL IMPACT:

Amount: To be determined through negotiation – final sale will be brought back to City Council for approval.

Funding Source: Acquisition of property for basin: 2018-2019 CIP, Page Storm Water – 8, Gray's Station Detention Basin, SM135, Storm Water Cash. (No proceeds are anticipated from the sale of 2501 Maury given the extensive demolition costs to be paid by DART.)

ADDITIONAL INFORMATION:

- The City is interested in selling the property at and adjacent to 2501 Maury Street and DART is interested in acquiring the property subject to:
 - DART assuming any demolition and potential remediation obligations.
 - The City being able to replace the present Park & Recreation Department use for greenhouses.
 - DART providing for public meeting space to accommodate loss of existing meeting space.
 - City providing assistance in identifying a new site for the youth boxing club.
- The City is interested in purchasing the 9-acre parcel in the vicinity of SW 11th Street and DART Way, and DART is interested in conveying the parcel subject to:
 - DART taking necessary procedural steps to convey the property to the City on a timeframe that will accommodate planned construction schedules for both public and private infrastructure improvements related to and /or impacted by the acquisition of the property.
 - DART continuing operation and maintenance of the wet stormwater detention pond that will be reconfigured into part of the regional basin through the City led project to be initiated in October 2018, until the anticipated project completion in June 2019.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Finalize purchase agreement with DART.
- City Council action and DART Board action on purchase agreement and sale agreement.
- Closing on the land purchase and land sale.

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