 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: November 5, 2018
	Agenda Item No. 45 Roll Call No. <u>18-1866</u> Communication No. <u>18-546</u> Submitted by: Steven L. Naber, P.E., City Engineer

AGENDA HEADING:

Hold hearing for approval of documents for conveyance of excess City-owned property located at 4200 Hubbell Avenue to Martin J. Ermels and Kathleen Ermels for \$156,448.

SYNOPSIS:

Recommend approval of the conveyance of excess City-owned property located at 4200 Hubbell Avenue to Martin J. Ermels and Kathleen Ermels, 3790 Hubbell Avenue, Des Moines, Iowa, 50317, for \$156,448. This action is required by Iowa law prior to making a final determination on the proposed sale via resolution.

Martin J. Ermels and Kathleen Ermels own the existing bookkeeping business located at 3790 Hubbell Avenue, which is being acquired by the City for the Hubbell Avenue Improvements – East 33rd Street to East 38th Street Project. The Ermels are purchasing the City’s property at 4200 Hubbell Avenue for their replacement location. There are no current or anticipated public needs for this property. Furthermore, the conveyance will eliminate future maintenance and liability costs for the City and will return the property to the tax rolls.

FISCAL IMPACT:

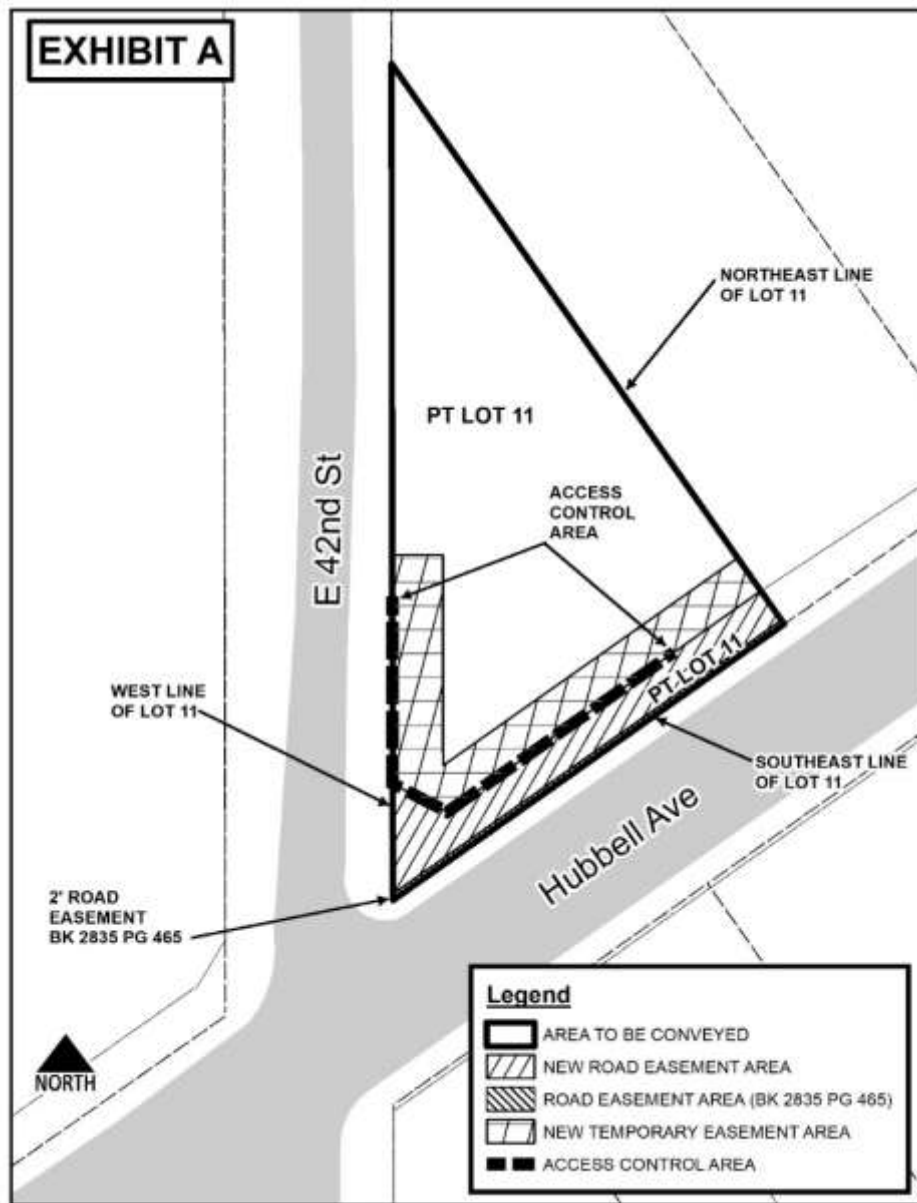
Amount: \$156,448 (Revenue)

Funding Source: 2018-19 CIP, Page Street Improvements – 12, East 42nd and Hubbell Avenue Intersection Improvements, ST257

ADDITIONAL INFORMATION:

- On May 22, 2017, the City Council of the City of Des Moines authorized the acquisition of necessary property interests for the Hubbell Avenue Improvements – East 33rd Street to East 38th Street Project. The property located at 3790 Hubbell Avenue, owned by Martin J. Ermels and Kathleen Ermels, was identified for total acquisition requiring the Ermels’ bookkeeping business to be relocated to a new location.
- On May 22, 2017, the City of Des Moines closed on the acquisition of the former Kum & Go store located at 4200 Hubbell Avenue, which was acquired for the East 42nd Street and Hubbell Avenue Intersection Improvements Project. Work on the project at this property is complete and the property can now be sold for reuse by the Ermels for their bookkeeping business.

- Martin J. Ermels and Kathleen Ermels have offered to the City of Des Moines, Iowa, the purchase price of \$156,448 for the purchase of the above property in order to relocate their existing bookkeeping business. The conveyance is subject to the reservation of any and all easements upon the property now in place, until such time as said easements are abandoned or relocated at no cost to the City of Des Moines. The conveyance is further subject to a no-build restriction prohibiting the building of any additional structures, buildings or other improvements beyond those that exist at the time of closing. This property consists of approximately 25,129 square feet of land improved with a 2,414-square-foot retail/office building and associated site improvements. The purchase price of \$156,448 is equal to the restricted-use, fair market value of the property, based upon an independent appraisal.



PREVIOUS COUNCIL ACTION(S):

Date: October 22, 2018

Roll Call Number: [18-1751](#)

Action: [On](#) conveyance of excess City-owned property located at 4200 Hubbell Avenue to Martin J. Ermels and Kathleen Ermels for \$156,448, (11-5-18). Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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