


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number: 23-125	Meeting: March 6, 2023
	Agenda Item: 46	Roll Call: 23-0324
	Submitted by: Matthew A. Anderson, Deputy City Manager	

AGENDA HEADING:

Hold hearing for approval of documents for conveyance of excess City-owned property known as 85 Jefferson Avenue by Offer to Purchase by LT Leon Associates, Inc. for \$15,000.

SYNOPSIS:

Recommend approval of the offer to purchase City-owned property located at 85 Jefferson Avenue in the Central Place Industrial Park to LT Leon Associates, Inc. (Luis Leon, Officer, 500 E. Locust Street, Suite 400, Des Moines, IA 50309) for \$15,000, subject to reservations of easements for any utilities in place, which will be included in the Quit Claim Deed from the City to the buyer.

The sale of this 36,560-square-foot excess City-owned property will allow for the new construction of an 8,400-square-foot office and warehouse space for a rapidly growing civil engineering firm, known as LT Leon and Associates.

The Urban Renewal Plan for the Central Place Industrial Park has provisions in place for any City-owned disposition parcels located in Central Place, and this purchaser has demonstrated that they will comply with all requirements.

FISCAL IMPACT:

Amount: \$15,000 (land sale revenue)

Funding Source: Proceeds from this land sale will be deposited into the Economic Development Enterprise Account, CM025033.

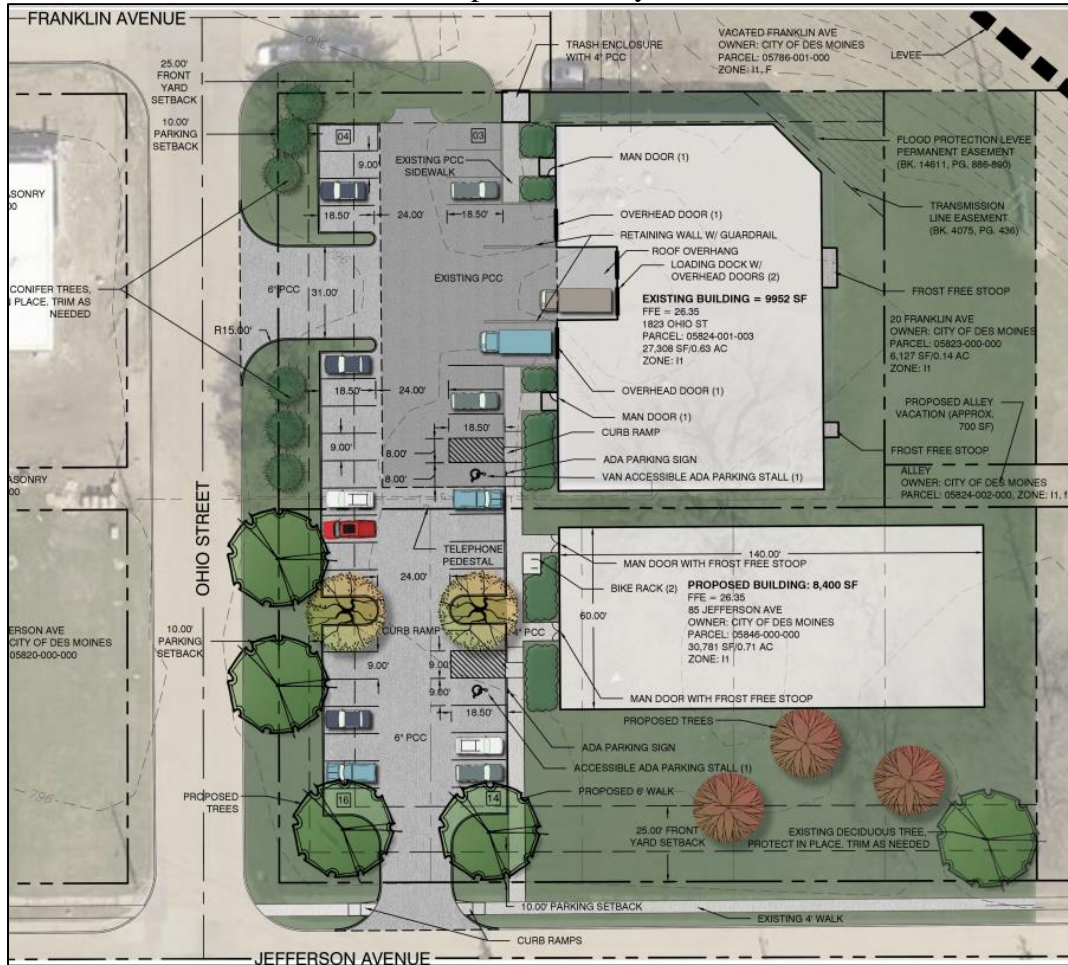
ADDITIONAL INFORMATION:

- LT Leon Associates, Inc. has approached the City to find suitable sites to relocate their rapidly growing, locally based, civil and environmental engineering firm to allow for expansion to suit their office and warehousing requirements. Staff provided information on available properties within the Central Place Industrial Park that were of interest and met the needs of the business.
- The properties to be conveyed consist of a total of 36,560 square feet of City-owned land identified for sale and disposition within the Central Place Industrial Park. The land sale includes excess property to the east of the existing building at 1823 Ohio Street, which has also been recently purchased by an LLC affiliated with LT Leon Associates, Inc. The purchase

price is \$15,000, equal to the fair market value of the property as determined by the City’s Real Estate Division, less an environmental credit of \$70,000 offered to help remediate poor soils conditions that make further development of the site problematic. The Developer has conducted a geotech/soils report for the site and provided three (3) bid estimates from contractors to remediate the soils.

- The closing on the land sale will take place after the site plan for the project has been approved by the Development Services Director and the project has been before the City’s Urban Design Review Board.

Conceptual Site Layout



PREVIOUS COUNCIL ACTION(S):

Date: February 20, 2023

Roll Call Number: [23-0219](#)

Action: [On](#) conveyance of excess City property locally known as 85 Jefferson Avenue to LT Leon Associates, Inc, \$15,000, (3-6-23). Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Urban Design Review Board recommendation on the design of the project prior to closing on the land sale.

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