


## COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	<b>23-126</b>	Meeting:	<b>March 6, 2023</b>
	Agenda Item:	<b>47</b>	Roll Call:	<b>23-0325</b>
	Submitted by:	<b>Matthew A. Anderson, Deputy City Manager</b>		

### AGENDA HEADING:

On conveyance of excess City property locally known as 1439 and 1445 Michigan Street to TD & MD, LLC, \$40,000.

### SYNOPSIS:

Recommend approval of the offer to purchase City-owned property located at 1439 and 1445 Michigan Street to TD & MD, L.L.C. (Thomas P. Duax, Member, 1460 2nd Avenue, Des Moines, Iowa 50314), for \$40,000, subject to the reservations of easements for utilities in place, which easement will be included in the Quit Claim Deed from the City to the buyer.

The sale of this excess City-owned property will allow for a newly constructed commercial warehouse and bottle and can redemption center. The project will consist of office space, with the predominant use as warehousing and functions related to the bottle and can redemption function.

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 acquirer has demonstrated that they will comply with all requirements.

### FISCAL IMPACT:

Amount: \$40,000 (land sale revenue)

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

### ADDITIONAL INFORMATION:

- Governor Kim Reynolds signed SF2378 on June 17, 2022, which amended certain provisions in Iowa Code 455C ('the Bottle Bill'). This change removed the requirement that grocery stores provide a redemption center on-site, reducing the number of locations to recycle cans and bottles. This has created a new submarket for the can redemption and recycling industry.

- The properties to be conveyed consist of approximately 27,000 square feet of land, and the purchase price is \$54,770, equal to the fair market value of the property as determined by the City's Real Estate Division, less a \$14,770 credit towards the purchase price of the property to offset the cost of connecting this site to the closest water main, which includes the cost to extend the water main down the adjacent right-of-way.
- In accordance with City policy, the closing on the land sale will occur once the site plan for the project has been approved by the City's Development Services Department and the project has appeared before the City's Urban Design Review Board.

**PREVIOUS COUNCIL ACTION(S):**

Date: February 20, 2023

Roll Call Number: [23-0220](#)

Action: [On](#) conveyance of excess City property locally known as 1439 and 1445 Michigan Street to TD & MD, LLC, \$40,000, (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 design of the project prior to closing on the land.

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