


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	23-181	Meeting:	April 10, 2023
	Agenda Item:	55	Roll Call:	23-0525
	Submitted by:	Steven L. Naber, P.E., City Engineer		

AGENDA HEADING:

Hold hearing for approval of documents for conveyance of a portion of vacated 41st Street located east of and adjoining 4126 Ingersoll Avenue to Plymouth Congregational Church Foundation for \$90,890.

SYNOPSIS:

Recommend approval of documents for conveyance of a portion of vacated 41st Street located east of and adjoining 4126 Ingersoll Avenue, to Plymouth Congregational Church Foundation (Hallie Still-Caris, President, 4126 Ingersoll Avenue, Des Moines, IA, 50312) for \$90,890. Plymouth Congregational Church Foundation has been leasing a portion of the vacated 41st Street right-of-way between Grand Avenue and Ingersoll Avenue, as shown on the map below, since 1999 for permanent parking purposes.

Conveyance of the vacated right-of-way will allow Plymouth Congregational Church Foundation to own these permanent parking site improvements. The negotiated terms of the Offer to Purchase Real Estate from the City of Des Moines and Acceptance outlined below reflect the restricted-use fair market value of the property, as determined by the City's Real Estate Division.

FISCAL IMPACT:

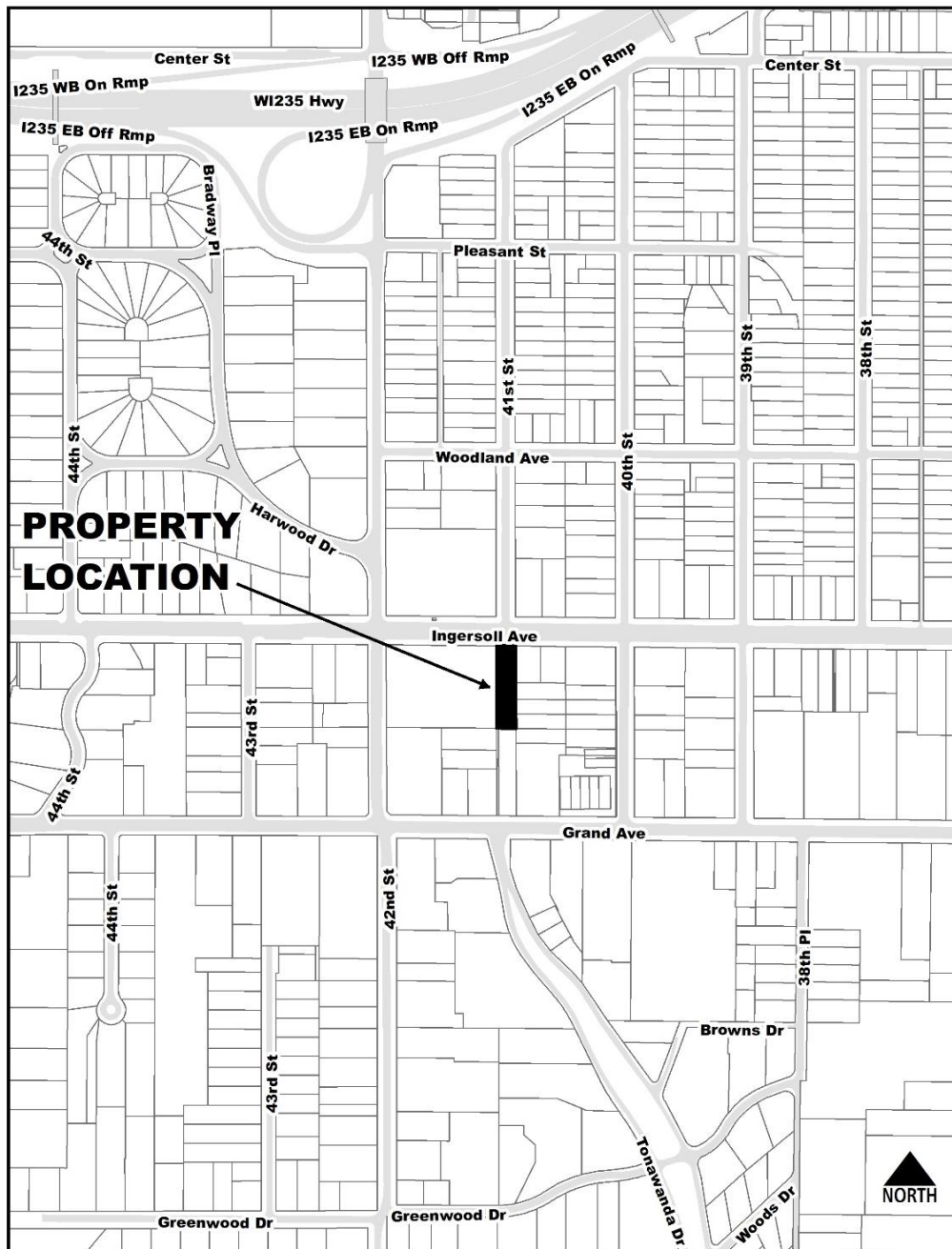
Amount: \$90,890 (Revenue)

Funding Source: Sale proceeds are used to support general operating budget expenses: Org - EG064090

ADDITIONAL INFORMATION:

- On June 7, 1999, the City of Des Moines City Council voted to approve a lease agreement with Plymouth Congregational Church which contained, among other terms, the following:
 - An initial 49-year term with five (5) 10-year renewal options.
 - An initial base rent of \$6,002 per year with adjustments to the annual rent every 10 years based on 50% of the change in the Consumer Price Index for the previous 10 years.
 - A Payment In Lieu Of Taxes (PILOT) for the first 10 years of the lease term equal to 14% of the City levy on church-owned properties that were acquired and converted to a tax-exempt status east of 41st Street.

- Since the leased premises are used for permanent parking improvements, the Plymouth Congregational Church Foundation has requested to purchase the property in lieu of continuing to lease the property on a long-term basis.
- The City's Real Estate Division and Plymouth Congregational Church Foundation have negotiated the following financial terms for purchase of the City's property:
 - A purchase price of \$90,890, which reflects the restricted-use fair market value of the property, including a no-build easement to be reserved in the Quit Claim Deed from the City to Plymouth Congregational Church Foundation.
 - A credit towards the Purchase Price will also be given at closing in the amount of \$7,607 for rent paid toward the 2022-2023 lease year.



PREVIOUS COUNCIL ACTION(S):

Date: March 27, 2023

Roll Call Number: [23-0390](#)

Action: [On](#) conveyance of a portion of vacated 41st Street located east of and adjoining 4126 Ingersoll Avenue to Plymouth Congregational Church Foundation, \$90,890, (4-10-23).

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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