


# COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	<b>23-193</b>	Meeting:	<b>April 10, 2023</b>
	Agenda Item:	<b>28</b>	Roll Call:	<b>23-0497</b>
	Submitted by:	<b>Matthew A. Anderson, Deputy City Manager</b>		

## AGENDA HEADING:

Resolution approving an economic development grant to William C. Knapp, LC in an amount not to exceed \$165,000 to assist with the costs of replacing a collapsed private storm sewer for the purposes of assisting the vacant property at 2901 East Euclid Avenue to be redeveloped.

## SYNOPSIS:

William C. Knapp, LC (Gerard Nugent, Managing Member, 5000 Westown Parkway, West Des Moines, IA 50266) has requested economic development assistance to help remedy a collapsed (private) storm sewer on vacant property at 2901 East Euclid Avenue, which has caused significant erosion and a sinkhole to form on the property that has presented a challenge in getting the property redeveloped.

The Office of Economic Development has proposed a grant agreement in the maximum amount of \$165,000 as a cost share to assist William C. Knapp, LC with reconstructing the storm sewer pipe, which does convey upstream stormwater runoff to a small stream running through the property that is part of the Four Mile Creek watershed.

The grant is contingent upon William C. Knapp, LC constructing a new 60-inch private storm sewer pipe through the property and satisfactorily demolishing and filling in the current collapsed sewer, with work to be completed by October 1, 2023.

## FISCAL IMPACT:

Amount: \$165,000 (not to exceed amount), paid upon furnishing final construction costs and upon satisfactory completion of the private storm sewer.

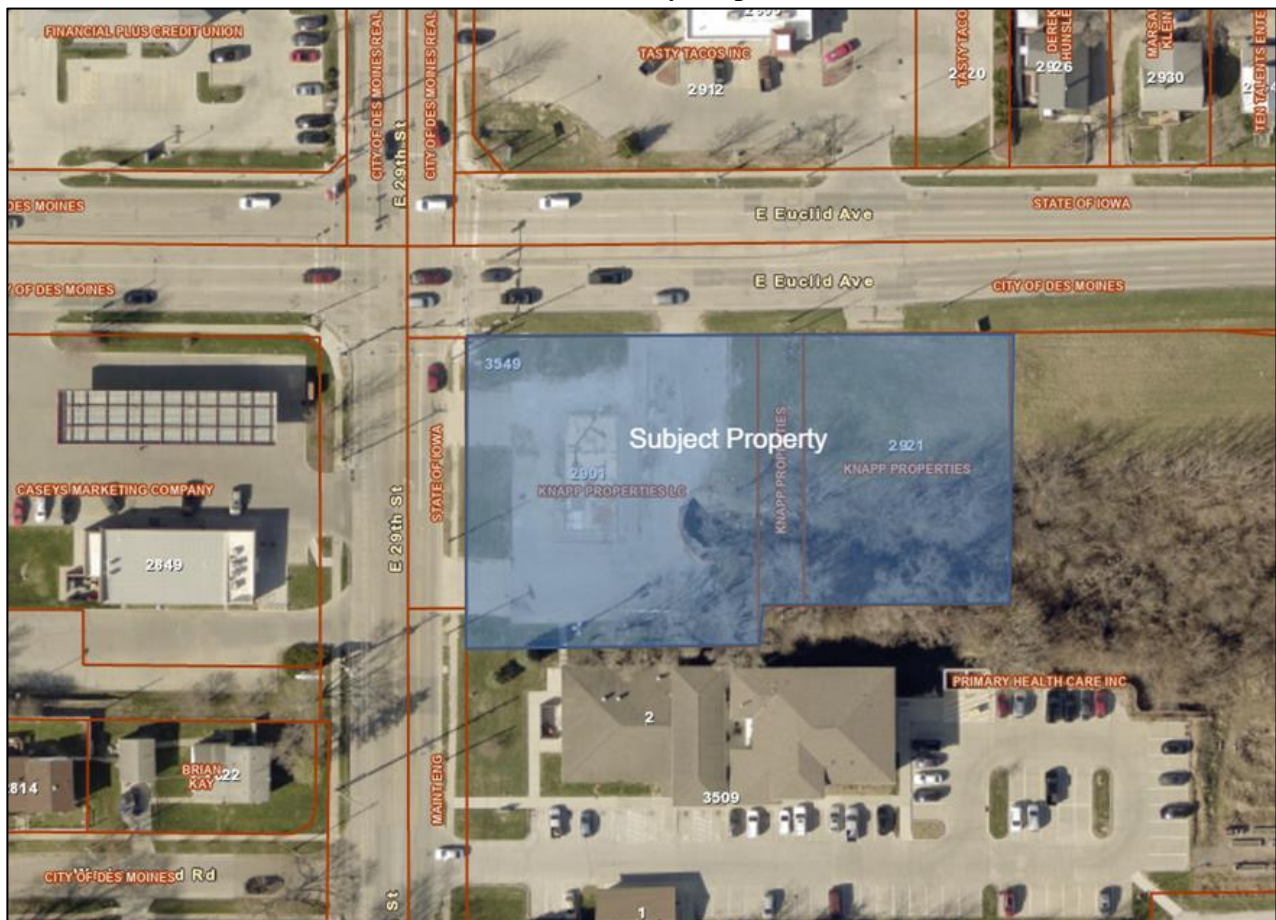
Funding Source: Economic Development Enterprise Account, CM025033

## ADDITIONAL INFORMATION:

- The collapsed storm sewer pipe on the vacant site at 2901 East Euclid Avenue has been an ongoing issue that continues to worsen. The City does not have record that this storm sewer is part of the public system, but Public Works Department staff have confirmed that this pipe does handle upstream stormwater flows that egress to a drainage swale that is adjacent to the property.

- William C. Knapp, LC has tried to market and sell this property for redevelopment for years but indicates that multiple buyers have walked away from interest in the site due to the expense and liability of the collapsed storm sewer.
- The other three (3) corners of the intersection of East 29th Street and East Euclid Avenue have all been redeveloped over the past 10-15 years. In the effort to assist in getting a problem resolved that can allow the southeast corner of the intersection to be redeveloped, the Office of Economic Development has proposed a grant agreement to partially assist William C. Knapp, LC in getting the storm sewer reconstructed through the site and remediate the erosion and sinkhole conditions on the property. Additionally, the scope of work will entail the removal and clean up the unmaintained pavement remnants on the property, restoring the site to a condition where it can be more easily developed.
- As a condition of the grant agreement, William C. Knapp, LC is expected to complete the construction of a new 60-inch reinforced concrete pipe private storm sewer on the property at a recently estimated total cost of \$330,000. The design for this pipe will be reviewed and permitted by the Engineering staff within the Permit and Development Center prior to installation.
- William C. Knapp, LC is required to satisfactorily complete the work by no later than October 1, 2023. A restrictive covenant has been placed on the property requiring that the eventual development of the site shall remain taxable and not devoted to a use that is exempt from property taxes or a centrally assessed utility.

Vicinity Map



**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- Approval of private construction contract (3-party agreement) to approve the installation of the storm sewer that will be transferred to a public pipe upon satisfactory inspection of the completed improvements.

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