

61C

Date September 24, 2007

RESOLUTION APPROVING: URBAN RENEWAL DEVELOPMENT AGREEMENT WITH HOUGHTON PROPERTIES; CONVEYANCE OF DISPOSITION PARCEL 16A IN THE GUTHRIE AVENUE BUSINESS PARK URBAN RENEWAL AREA; GROUND LEASE FOR VACATED BUT NOT CONVEYED RIGHT-OF-WAY; LICENSE FOR DEVELOPER'S ACCESS BEFORE CONVEYANCE; AND AUTHORIZING MAYOR TO EXECUTE CLOSING AND CONVEYANCE DOCUMENTS REGARDING DISPOSITION PARCEL 16A

WHEREAS, by Roll Call No. 07-1520, dated August 6, 2007, the City Council accepted a developer initiated redevelopment proposal from Houghton Properties (Jack Houghton, President, 12814 Cardinal Lane, Urbandale, IA 50323) to redevelop Disposition Parcel 16A (south of Mattern Avenue to East Jefferson Avenue between Dixon and DeWolf Streets) in the Guthrie Avenue Business Park Urban Renewal Area and set dates for hearings; and

WHEREAS, by Roll Call No. 07-1520 the City Council set September 18, 2007 at 8:15 a.m. for the deadline for other parties to submit competing proposals to redevelop Disposition Parcel 16A and directed that published notice be given of the urban renewal competitive bid process and the City's intention to accept Houghton Properties' proposal in the absence of timely submission of competing proposals. Although notice of the competitive bid process was published in the Des Moines Register on August 14, 2007, no competing proposals have been submitted; and

WHEREAS, Roll Call No. 07-1520 provides that in the event that no qualified competing proposals are received, the City Clerk shall submit the Urban Renewal Development Agreement to the City Council for final approval; and

WHEREAS, Roll Call No. 07-1520 provides that in the event no competing proposals are timely submitted, the City Council intends to approve the sale of Disposition Parcel 16A to Houghton Properties and to authorize execution of the Urban Renewal Redevelopment Agreement at a public hearing on September 24, 2007 at 5:00 p.m. in Council Chambers, 400 Robert D. Ray Drive, Des Moines, Iowa; and

WHEREAS, by Roll Call No. 07-1520 the City Council referred the permanent vacation of East 18th Street between Mattern and East Jefferson Avenue and Mattern Avenue between Dixon and DeWolf Streets to the City Plan and Zoning Commission for its recommendation. At its regular meeting on September 6, 2007 the Plan and Zoning Commission recommended that the City Council adopt an ordinance vacating the right-of-way. Roll Call No. 07-1520 set

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September 24, 2007 as the City Council meeting at which the vacation ordinance could be considered, and directed that notice of the proposed vacation be published pursuant to Iowa law. Legal notice of the proposal was published in the Des Moines Register on September 6, 2007.

WHEREAS, in anticipation of future redevelopment of parcel(s) adjacent to Disposition Parcel 16A, the City has reserved part of the vacated right-of-way from the conveyance to Houghton Properties and will lease this vacated but unconveyed portion to Houghton pursuant to a year-to-year ground lease which will automatically renew for each subsequent year unless the City, having determined that the leased property is needed to assemble a parcel for further redevelopment, terminates the ground lease; and

WHEREAS, upon vacation of the right-of-way as described above, MidAmerican Energy will be notified that it must remove overhead utility lines and supporting structures now in place upon the rights-of-way. Although conveyance of Disposition Parcel 16A to Houghton Properties will not occur until MidAmerican removes the utilities, the redeveloper's schedule determines that it must demolish existing structures on the property this fall so that construction may begin on schedule, i.e., no later than April 1, 2008 as set forth in the development agreement. Accordingly, the City intends to grant Houghton Properties a license to enter Disposition Parcel 16A before closing in order to demolish structures; remove debris and the like.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that:

1. The Urban Renewal Development Agreement between the City of Des Moines, Iowa and Houghton Properties, a copy of which is attached hereto as Exhibit A, is hereby approved and the Mayor is authorized and directed to execute the Agreement on behalf of the City of Des Moines.
2. The License to Enter and Demolish existing structures on Disposition Parcel 16A prior to conveyance is hereby approved and the Mayor is authorized and directed to execute the license.
3. The sale of Disposition Parcel 16A to Houghton Properties is hereby approved. The Mayor is authorized and directed to execute all necessary closing documents and a special warranty deed conveying the property on behalf of the City upon MidAmerican Energy's removal of overhead utility lines and structures and the satisfaction of all other preconditions to closing contained in the Urban Renewal Development Agreement.

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4. The ground lease between the City and Houghton Properties of certain right-of-way property vacated but not conveyed is hereby approved. The Mayor is authorized and directed to execute the lease on the City's behalf.

(Council Communication No. 07-595)

Moved by _____ to adopt.

APPROVED AS TO FORM:



Michael F. Kelley
Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

MOTION CARRIED

APPROVED

Mayor