

Date November 6, 2017.....

**HOLD HEARING FOR CONVEYANCE OF CITY-OWNED PROPERTY LOCATED AT 200
SOUTHEAST 15TH STREET TO DES MOINES TRANSLOAD SERVICES, LLC FOR
\$1,250,000.00**

WHEREAS, Des Moines Transload Services, LLC has offered to the City of Des Moines (“City”) \$1,250,000.00 for the purchase of the City-owned property located at 200 Southeast 15th Street (hereinafter “Property”) which price reflects the fair market value of said Property as determined by an independent appraisal, to be used solely for the construction and operation of a railroad transloading facility and the provision of ancillary services reasonably related thereto, and for no other purpose, which restriction also prohibits any transloading uses on the property that would cause the reactivation of the BNSF rail line within the E. Elm Street right-of-way west of SE 7th Street; and

WHEREAS, this conveyance is also subject to the reservation of easements for all existing utilities in place, until such time that they are abandoned or relocated, and further subject to a railroad easement therein and the terms and conditions contained in the Real Estate Purchase Installment Contract; and

WHEREAS, Des Moines Transload Services, LLC and City staff have negotiated the terms of a Real Estate Purchase Installment Contract for the proposed conveyance, which include the purchase price of \$1,250,000.00 plus interest at the rate of three and three quarter percent (3.75%) per annum, to be paid over five years in the form of six installment payments, the first payment of which shall be in the amount of \$55,000.00 and payable at closing, the second through fifth payments which shall be in the amount of \$100,000 annually, and the sixth annual and final balloon payment in the amount of \$997,576.45; and

WHEREAS, there is no known current or future public need for the Property located at 200 Southeast 15th Street proposed to be sold, and the City will not be inconvenienced by the conveyance of said Property.

WHEREAS, on October 23, 2017, by Roll Call No. 17-1822, it was duly resolved by the City Council that the proposed conveyance of the City Property be set down for hearing on November 6, 2017, at 5:00 p.m., in the City Council Chamber; and

WHEREAS, due notice of said proposal to convey the Property was given as provided by law, setting forth the time and place for hearing on said proposal; and

WHEREAS, in accordance with City Council direction, those interested in the proposed conveyance, both for and against, have been given an opportunity to be heard with respect thereto and have presented their views to the City Council.

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

1. Upon due consideration of the facts and statements of interested persons, any and all objections to the proposed conveyance, as described below, are hereby overruled and the hearing is closed.



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2. There is no public need or benefit for the City Property proposed to be conveyed, and the public would not be inconvenienced by reason of the City-owned property located at 200 Southeast 15th Street, Des Moines, Iowa, as legally described, to the grantees, and for the consideration identified below, in the form of a Real Estate Purchase Installment Contract, which terms include the reservation of easements for all existing utilities in place, until such time that they are abandoned or relocated, and further subject to a railroad easement therein, and a restriction that such real estate may only be used for the construction and operation of a railroad transloading facility and the provision of ancillary service reasonable related thereto, and said conveyance be and is hereby approved:

Grantee: Des Moines Transload Services, LLC

Consideration: \$1,250,000.00

Legal Description:

A PORTION OF LOT 1, OFFICIAL PLAT OF BLOCK 33 OF BROOKS & COS ADDITION, AN OFFICIAL PLAT; AND A PORTION OF BLOCK 33, BROOKS & COS ADDITION, AN OFFICIAL PLAT, AND A PORTION OF LOTS 8 THRU 19, COTTAGE ADDITION, AN OFFICIAL PLAT; AND LOTS 11 THRU 27 AND A PORTION OF LOTS 28 THRU 31, A PORTION OF VACATED ELM STREET ADJOINING LOTS 6 THRU 19, CAPITAL ADDITION, AN OFFICIAL PLAT; AND A PORTION OF PART OF BLOCK 34, BROOKS & COS ADDITION TO CITY OF DES MOINES, AN OFFICIAL PLAT; AND ALL OF LOTS 4 AND 5 AND A PORTION OF LOTS 3 AND 6, AND A PORTION OF THE VACATED ALLEY ADJOINING LOTS 3 AND 4, CHOICE ADDITION TO DES MOINES IOWA, AN OFFICIAL PLAT; AND A PORTION OF VACATED SOUTHEAST 16TH STREET, AND A PORTION OF THE VACATED RIGHT OF WAY OF THE FORMER CHICAGO, ROCK ISLAND, AND PACIFIC RAILROAD (C.R.I.& P. RAILROAD), AND A PORTION OF A VACATED RAILROAD, ALL NOW INCLUDED IN AND FORMING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 33; THENCE SOUTH 89°(DEGREES) 54'(MINUTES) 41"(SECONDS) EAST, 1142.21 FEET ON THE SOUTHERLY RIGHT OF WAY LINE OF EAST MARKET STREET TO THE NORTHEAST CORNER OF SAID LOT 11, CAPITAL ADDITION; THENCE SOUTH 00°17'46" EAST, 132.00 FEET ON THE EAST LINE OF SAID LOT 11, CAPITAL ADDITION, TO THE SOUTHEAST CORNER OF SAID LOT 11, CAPITAL ADDITION; THENCE SOUTH 89°54'56" EAST, 182.88 FEET ON THE NORTH RIGHT OF WAY LINE OF VACATED ELM STREET; THENCE SOUTH 45°26'58" WEST, 419.76 FEET; THENCE SOUTH 78°45'06" WEST, 41.58 FEET; THENCE 483.09 FEET ON A 5115.00 FOOT RADIUS CURVE TO THE LEFT WITH A CHORD LENGTH OF 482.91 FEET AND BEARS SOUTH 85°49'38" WEST; THENCE SOUTH 83°07'17" WEST, 125.73 FEET; THENCE NORTH 16°26'52" WEST, 99.67 FEET; THENCE NORTH 88°58'52" WEST, 351.66 FEET TO THE EAST RIGHT OF WAY LINE OF SOUTHEAST 15TH STREET; THENCE NORTH 00°03'46" EAST, 384.98 FEET ON SAID EAST RIGHT OF WAY LINE TO THE POINT OF BEGINNING, CONTAINING 11.52 ACRES MORE (501,749 SQUARE FEET) OR LESS; SUBJECT TO A RAILROAD EASEMENT.

3. The Mayor is authorized and directed to sign the Real Estate Purchase Installment Contract and all other associated real estate documents, including but not limited to an Offer to Purchase, if applicable, for the conveyance identified above, and the City Clerk is authorized and directed to attest to the Mayor's signature.

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5. Upon proof of payment of the first installment of \$55,000.00, plus \$113 for publication and recording costs, and in accordance with the Installment Contract, the City Clerk is authorized and directed to forward the Real Estate Purchase Installment Contract, together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing, to the Real Estate Division of the Engineering Department for the purpose of causing said documents to be recorded.

6. The Real Estate Division Manager is hereby authorized and directed to administer and monitor all other terms of, and receipt of payment for, the Real Estate Purchase Installment Contract; to approve and execute documents pertaining to any minor or unsubstantial changes to said Real Estate Purchase Installment Contract, following approval of the City Legal Department as to form; and, if needed, to approve, proceed with and execute documents pertaining to forfeiture, foreclosure, or termination of the Real Estate Purchase Installment Contract if Des Moines Transload Services, LLC fails to fulfill the contract terms required, following approval of the City Legal Department.

7. Upon confirmation by the City's Real Estate Division Manager of Des Moines Transload Services, LLC's compliance with all the Real Estate Purchase Installment Contract terms and proof of payment of full consideration of \$1,250,000.00 plus accrued interest, the Mayor is authorized and directed to sign the Quit Claim Deed for the conveyance as identified above, and the City Clerk is authorized and directed to attest to the Mayor's signature and to forward the original of said Quit Claim Deed together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing to the Real Estate Division Manager of the Engineering Department for the purpose of causing said document to be recorded.

8. Proceeds from the sale of 200 Southeast 15th Street will be deposited into the SE Connector Project, ST256 (\$1,250,000.00).

(Council Communication No. 17- 779)

Moved by _____ to adopt.

APPROVED AS TO FORM:



Lisa A. Wieland, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
HENSLEY				
MOORE				
WESTERGAARD				
TOTAL				
MOTION CARRIED	APPROVED			

Mayor

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