



Roll Call Number

17-0067

Agenda Item Number

53

Date January 9, 2017

RESOLUTION APPROVING URBAN RENEWAL DEVELOPMENT AGREEMENT WITH MARKET DISTRICT ONE, LLC TO DEVELOP CITY-OWNED PROPERTY AT 401 SE 6TH STREET AND 400 SE 7TH STREET IN THE METRO CENTER URBAN RENEWAL AREA, APPROVING CONCEPTUAL DEVELOPMENT PLAN, AND SETTING PUBLIC HEARING ON VACATION OF ADJOINING CITY RIGHT-OF-WAY

WHEREAS, on March 20, 2000, by Roll Call Nos. 00-788 and 00-789, the City Council of the City of Des Moines approved the Urban Renewal Plan for the Metro Center Urban Renewal Project, and such Plan has been amended eighteen times (the urban renewal plan as so amended is herein referred to as the "Plan"), encompassing an irregularly shaped area that includes the downtown core and the areas surrounding the downtown core; and

WHEREAS, on October 10, 2016, by Roll Call No. 16-1721, the City Council authorized the City Manager to negotiate an urban renewal development agreement based on preliminary terms of agreement with Market One, LLC n/k/a Market District One, LLC, represented by Frank Levy, Partner ("Developer"), for sale of City-owned property located at the intersections of SE 6th Street and East Martin Luther King Jr. Parkway, locally known as 401 SE 6th Street and 400 SE 7th Street (collectively "Property") and located in the Market District, for development of a 4-story, estimated 58-unit multi-family residential building and parking lot for residents; and

WHEREAS, on November 21, 2016, by Roll Call No. 16-2001, the City Council accepted the Developer's development proposal and the proposed revised form of Development Agreement in the Metro Center Urban Renewal Area and set a date for a hearing on the Agreement, including the conveyance of the Property to Developer; and

WHEREAS, by Roll Call No. 16-2001, the City Council set January 4, 2017 at 1:00 p.m. for the deadline for other parties to submit competing proposals to purchase and develop the Property and directed that published notice be given of the urban renewal competitive bid process and the City's intention to accept the Developer's proposal in the absence of timely submission of competing proposals, and no competing proposals have been submitted; and

WHEREAS, Roll Call No. 16-2001 further provides that in the event that no qualified completing proposals are received, the City Council intends to approve the sale of the Property to Developer and to authorize execution of the Urban Renewal Development Agreement following public hearing on January 9, 2017; and

WHEREAS, at its meeting on November 1, 2016, the members of the Urban Design Review Board voted 8-0 to approve the financial assistance for the project as presented, and its meeting on December 6, 2016, the Board voted 7-0 in support of a motion to recommend approval of final design as proposed by the Developer and set forth in the Conceptual Development Plan attached to the Agreement; and



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WHEREAS, on December 19, 2016, by Roll Call No. 16-2146, the City Council received a communication from the City's Plan and Zoning Commission recommending approval of a request from the Developer for the vacation of the following segments of City-owned right-of-way adjoining the Property, subject to retention by the City of a minimum 60-foot wide right-of-way for Raccoon Street, and whereas City staff have further determined that said vacation should be subject to retention by the City of a minimum 70-foot wide right-of-way for Southeast 7th Street:

- (a) Segment of north/south alley between Southeast 6th Street and Southeast 7th Street to a point approximately 112 feet to the south of Raccoon Street;
- (b) Irregular segment of undeveloped East Martin Luther King Jr. Parkway right-of-way south of and adjoining the Property;
- (c) 14.6-foot by 244.8-foot segment of Raccoon Street right-of-way north of and adjoining the Property; and
- (d) The west 10 feet of Southeast 7th Street east of and adjoining the Property; and

WHEREAS, there is no known current or future public need or benefit for said right-of-way proposed to be vacated, and the City will not be inconvenienced by the vacation and sale thereof.

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

1. The Urban Renewal Development Agreement, as on file in the office of the City Clerk, is hereby approved; the Mayor is authorized and directed to execute the agreement on behalf of the City of Des Moines and the City Clerk to attest to his signature; and the City Manager or his designee(s) are authorized and directed to monitor compliance by the Developer with said Agreement.
2. The Conceptual Development Plan, which is Exhibit "C" to the Development Agreement, is hereby approved.
3. Subject to Council approval of an ordinance vacating those portions of the Property that are City right-of-way, the sale of the Property, legally described as follows, to Market District One, LLC for \$376,309.00, subject to closing credit described in the Urban Renewal Development Agreement, is hereby approved in accordance with the terms of said Agreement; 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 the satisfaction of all conditions to closing contained in said Agreement; and the City Manager or his designee(s) are authorized and directed to proceed to closing on the conveyance in accordance with said Agreement:

PARCEL 2016-55

LOTS 1, 9, AND 10, A PORTION OF LOT 2, THE VACATED NORTH - SOUTH ALLEY WEST OF AND ADJACENT TO SAID LOTS 9 AND 10, ALL IN BLOCK 42, TOWN OF DE MOINE, AN OFFICIAL PLAT, DES MOINES, POLK COUNTY, IOWA; VACATED EAST ML KING JR PARKWAY SOUTH OF AND ADJOINING SAID LOTS 2 AND 9 AND THE INTERVENING ALLEY; VACATED RACCOON



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STREET NORTH OF AND ADJOINING SAID LOTS 1 AND 10 AND INTERVENING ALLEY; VACATED SE 7TH STREET BETWEEN RACCOON STREET AND EAST MARTIN LUTHER KING JR PARKWAY, ALL MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF LOT 1 IN BLOCK 42 OF SAID TOWN OF DE MOINE; THENCE N30°00'30"E, A DISTANCE OF 8.51 FEET; THENCE N74°57'52"E, A DISTANCE OF 321.96 FEET; THENCE S14°53'27"E, A DISTANCE OF 139.84 FEET; THENCE S74°57'52"W, A DISTANCE OF 277.81 FEET; THENCE NORTHWESTERLY ALONG A 77.50 FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY, A DISTANCE OF 56.76 FEET, SAID CURVE HAVING A CHORD BEARING OF N79°48'35"W AND A CHORD DISTANCE OF 55.50 FEET TO THE WEST LINE OF LOT 2 IN BLOCK 42 OF SAID TOWN OF DE MOINE; THENCE N14°49'54"W ALONG THE WEST LINE OF LOTS 2 AND 1 IN BLOCK 42 OF SAID TOWN OF DE MOINE, A DISTANCE OF 110.18 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINS 1.035 ACRES (45,067 SQUARE FEET). SAID TRACT OF LAND BEING SUBJECT TO AND TOGETHER WITH ANY AND ALL EASEMENTS OF RECORD.

4. That the City Council of the City of Des Moines, Iowa, shall consider adoption of an ordinance permanently vacating a fee interest within portions of City-owned right-of-way adjoining 401 Southeast 6th Street and 400 Southeast 7th Street, legally described as follows, subject to retention by the City of a minimum 60-foot wide right-of-way for Raccoon Street and Southeast 7th Street:

(a) Segment of north/south alley between Southeast 6th Street and Southeast 7th Street to a point approximately 112 feet to the south of Raccoon Street:

ALL OF THE 18.00 FOOT WIDE NORTH - SOUTH ALLEY RIGHT OF WAY IN BLOCK 42, TOWN OF DE MOINE, AN OFFICIAL PLAT, DES MOINES, POLK COUNTY, IOWA, LYING EAST OF AND ADJOINING LOTS 1 AND 2 IN SAID BLOCK 42, TOWN OF DE MOINE, TRACT OF LAND CONTAINS 2,011 SQUARE FEET.

SAID TRACT OF LAND BEING SUBJECT TO AND TOGETHER WITH ANY AND ALL EASEMENTS OF RECORD.

(b) Irregular segment of undeveloped East Martin Luther King Jr. Parkway right-of-way south of and adjoining the Property:

AN IRREGULAR SHAPED PORTION OF LOT 2 AND AN IRREGULAR SHAPED PORTION OF THE EAST ML KING JR PARKWAY RIGHT OF WAY LYING SOUTH OF AND ADJOINING LOTS 2 AND 9 AND THE INTERVENING ALLEY IN BLOCK 42, TOWN OF DE MOINE, AN OFFICIAL PLAT, DES MOINES, POLK COUNTY, IOWA; ALL MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER



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OF SAID LOT 9; THENCE S14°53'27"E ALONG THE SOUTHEASTERLY EXTENSION OF THE EAST LINE OF SAID LOT 9, A DISTANCE OF 21.95 FEET; THENCE S74°57'52"W, A DISTANCE OF 267.81 FEET; THENCE NORTHWESTERLY ALONG A 77.50 FOOT RADIUS CURVE CONCAVE SOUTHWESTERLY, A DISTANCE OF 56.76 FEET TO THE WEST LINE OF SAID LOT 2, SAID CURVE HAVING A CHORD BEARING OF N79°48'35"W AND A CHORD LENGTH OF 55.50 FEET; THENCE N14°49'54"W ALONG THE WEST LINE OF SAID LOT 2, A DISTANCE OF 16.34 FEET; THENCE S76°08'47"E, A DISTANCE OF 37.22 FEET TO THE SOUTH LINE OF SAID LOT 2; THENCE N74°58'37"E ALONG THE SOUTH LINE OF SAID LOT 2, AND ALONG THE EASTERLY EXTENSION OF THE SOUTH LINE OF SAID LOT 2, AND ALONG THE SOUTH LINE OF SAID LOT 9, A DISTANCE OF 285.43 FEET TO THE POINT OF BEGINNING.

SAID TRACT OF LAND CONTAINS 6,500 SQUARE FEET.

SAID TRACT OF LAND BEING SUBJECT TO AND TOGETHER WITH ANY AND ALL EASEMENTS OF RECORD.

- (c) 14.6-foot by 244.8-foot segment of Raccoon Street right-of-way north of and adjoining the Property:

AN IRREGULAR SHAPED PORTION OF THE RACCOON STREET RIGHT OF WAY LYING NORTH OF AND ADJOINING BLOCK 42, TOWN OF DE MOINE, AN OFFICIAL PLAT, DES MOINES, POLK COUNTY, IOWA, ALL MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF SAID BLOCK 42; THENCE S74°57'52"W ALONG THE NORTH LINE OF SAID BLOCK 42, A DISTANCE OF 317.97 FEET TO THE NORTHWEST CORNER OF SAID BLOCK 42; THENCE N30°00'30"E, A DISTANCE OF 8.51 FEET; THENCE N74°57'52"E, A DISTANCE OF 311.96 FEET; THENCE S14°53'27"E ALONG THE NORTHWESTERLY EXTENSION OF THE EAST LINE OF SAID BLOCK 42, A DISTANCE OF 6.01 FEET TO THE POINT OF BEGINNING.

SAID TRACT OF LAND CONTAINS 1,894 SQUARE FEET.

SAID TRACT OF LAND BEING SUBJECT TO AND TOGETHER WITH ANY AND ALL EASEMENTS OF RECORD.

- (d) The west 10 feet of Southeast 7th Street east of and adjoining the Property:

A 10.00 FOOT WIDE STRIP OF THE SE 7TH STREET RIGHT OF WAY LYING EAST OF AND ADJOINING BLOCK 42 AND ITS NORTHERLY AND SOUTHERLY EXTENSIONS, TOWN OF DE MOINE, AN OFFICIAL PLAT, DES MOINES, POLK COUNTY, IOWA, ALL MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF SAID BLOCK 42; THENCE N14°53'27"W ALONG THE NORTHERLY EXTENSION OF THE EAST LINE OF SAID BLOCK 42, A DISTANCE OF 6.01 FEET; THENCE N74°57'52"E, A DISTANCE OF 10.00 FEET; THENCE S14°53'27"E, A DISTANCE OF 139.83 FEET; THENCE S74°57'52"W, A



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DISTANCE OF 10.00 FEET; THENCE N14°53'27"W ALONG THE SOUTHEASTERLY EXTENSION OF THE EAST LINE OF SAID BLOCK 42 AND ALONG THE EAST LINE OF SAID BLOCK 42, A DISTANCE OF 133.83 FEET TO THE POINT OF BEGINNING.

SAID TRACT OF LAND CONTAINS 1,398 SQUARE FEET.

SAID TRACT OF LAND BEING SUBJECT TO AND TOGETHER WITH ANY AND ALL EASEMENTS OF RECORD.

5. That the meeting of the City Council at which the adoption of said ordinance is to be considered shall be on January 23, 2017, said meeting to be held at 5:00 p.m. in the City Council Chamber, Richard A. Clark Municipal Service Center, 1551 E. Martin Luther King Jr. Parkway, Des Moines, Iowa.

6. That the City Clerk is hereby authorized and directed to publish notice of said proposed vacation in the form hereto attached, in accordance with Section 363.3 of the Iowa Code.

(Council Comm. No. 17-020)

MOVED BY Gatto TO ADOPT.

APPROVED AS TO FORM:

Glenna K. Frank

Glenna K. Frank, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MOORE	✓			
WESTERGAARD	✓			
TOTAL	7			
MOTION CARRIED			APPROVED	

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.

Diane Rauh

City Clerk

T. M. Franklin Council Mayor