



Roll Call Number

18-0619

Agenda Item Number

55

Date April 9, 2018

RESOLUTION APPROVING AGREEMENT FOR SALE OF REAL ESTATE
WITH HELENA INDUSTRIES, LLC, FOR THE SALE AND REDEVELOPMENT
OF APPROXIMATELY 47 ACRES OF CITY-OWNED LAND SOUTH OF THE
3800 BLOCK OF VANDALIA ROAD

WHEREAS, Helena Industries, LLC, a Delaware corporation formerly known as Helena Industries, Inc., and hereinafter referred to as "Helena", operates an industrial facility in the City at 3525 Vandalia Road that employs approximately 120 full time workers and has a contract seasonal labor force that ranges between 50 and 120; and,

WHEREAS, Helena has continued to invest in its existing facility in the City, which has resulted in approximately \$30 million in ongoing improvements since 2008; and,

WHEREAS, the City endeavors to support existing businesses as stated in Plan DSM's Economic Development Goal 1; and,

WHEREAS, the City owns the adjoining real estate located south of Vandalia Road between SE 36th and SE 43rd Streets designated as "Parcel 2017-99" and "Parcel 2017-100" and more specifically described below; and,

WHEREAS, Helena has declared its intention to continue growing and expanding its industrial operations, by either acquiring the two adjoining City-owned Parcels for assembly with the existing Helena facility to create an expanded campus; or by moving a portion of its operations to other manufacturing facilities operated by Helena and related businesses outside the City of Des Moines; and,

WHEREAS, the City Manager has negotiated an *Agreement for Sale of Real Estate* with Helena which is on file and available for public inspection in the office of the City Clerk, whereby Helena has agreed that in consideration of the City's sale and conveyance to Helena of the two Parcels described below and the right to remove up to 500,000 cubic yards of fill from the planned City stormwater detention basin on the adjoining City-owned land to the south, Helena shall:

- i) Close on its purchase of the two Parcels by January 4, 2019, for a purchase price of \$702,150.00; and,
- ii) Improve the parcels by the construction of one or more buildings for manufacturing, warehousing, storage, office or other industrial use at a documented cost for labor and materials, exclusive of land and typical soft costs, of not less than \$5 million, all to be constructed in compliance with a Conceptual Development Plan approved by the City.

WHEREAS, on March 8, 2017, by Roll Call No. 18-0355, the City Council resolved that the proposed Agreement and sale of real estate to Helena be set down for hearing on March 19, 2018, at 5:00 P.M., in the Council Chambers at City Hall; and,

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WHEREAS, due notice of said hearing was published in the Des Moines Register on March 13, 2018, as provided by law, setting forth the time and place for hearing on the proposed Agreement and sale of real estate; and,

WHEREAS, on March 19, 2018, by Roll Call No. 18-0507, the City Council continued the said hearing until April 9, 2018, at 5:00 p.m., in the Council Chambers at City Hall; and,

WHEREAS, in accordance with said notice those interested in said proposed Agreement and sale of City-owned real estate, 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, as follows:

1. Upon due consideration of the facts and statements of interested persons, the objections to said proposed Agreement and sale of real estate as described below are hereby overruled and the hearing is closed.
2. The proposed *Agreement for Sale of Real Estate* with Helena Industries, LLC, whereby the City is to sell and convey to Helena the two parcels of City-owned real estate described below is hereby approved.

Parcel 2017-99:

A PARCEL OF LAND BEING A PART OF AND LYING ENTIRELY WITHIN LOT 4 AND LOT 5 OF HENDERSON ESTATE, AN OFFICIAL PLAT, FORMING AND BEING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 18, TOWNSHIP 78 NORTH, RANGE 23 WEST OF THE 5TH P.M.; THENCE ALONG THE NORTH LINE OF THE NORTHEAST QUARTER (NE ¼) OF SAID SECTION 18, NORTH 87°29'01" WEST, 404.66'; THENCE SOUTH 02°30'59" WEST, 50.00' TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF VANDALIA ROAD AS PRESENTLY ESTABLISHED, ALSO BEING THE POINT OF BEGINNING; THENCE SOUTH 00°17'55" EAST, 1274.78'; THENCE SOUTH 87°28'42" EAST, 684.20'; THENCE NORTH 00°17'55" WEST, 1274.82' TO A POINT ON SAID SOUTHERLY RIGHT OF WAY LINE OF VANDALIA ROAD AS PRESENTLY ESTABLISHED; THENCE ALONG SAID RIGHT OF WAY LINE, NORTH 87°28'42" WEST, 277.12' TO A FOUND ½" IRON ROD BEING ON THE EAST LINE OF SAID NORTHEAST QUARTER (NE ¼); THENCE CONTINUING ALONG SAID RIGHT OF WAY LINE, NORTH 87°29'01" WEST, 407.08' TO THE POINT OF BEGINNING. CONTAINING 20.00 ACRES (871,165.61 SQ. FT.), MORE OR LESS.

AND, Parcel 2017-100:

A PARCEL OF LAND BEING A PART OF AND LYING ENTIRELY WITHIN LOT 5 AND LOT 6 OF HENDERSON ESTATE, AN OFFICIAL PLAT, FORMING AND BEING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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COMMENCING AT THE NORTHWEST CORNER OF SECTION 17, TOWNSHIP 78 NORTH, RANGE 23 WEST OF THE 5TH P.M.; THENCE ALONG THE NORTH LINE OF THE NORTHWEST QUARTER (NW ¼) OF SAID SECTION 17, SOUTH 87°28'42" EAST, 279.54'; THENCE SOUTH 02°31'18" WEST, 50.00' TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF VANDALIA ROAD AS PRESENTLY ESTABLISHED, ALSO BEING THE POINT OF BEGINNING; THENCE ALONG SAID RIGHT OF WAY LINE, SOUTH 87°28'42" EAST, 952.17'; THENCE SOUTH 02°21'18" WEST, 705.57'; THENCE NORTH 87°28'42" WEST, 24.73'; THENCE SOUTH 00°08'19" EAST, 568.32'; THENCE NORTH 87°28'42" WEST, 893.15'; THENCE NORTH 00°17'55" WEST, 1274.82' TO THE POINT OF BEGINNING. CONTAINING 26.81 ACRES (1,167,787.14 SQ. FT.), MORE OR LESS.

3. The Mayor and City Clerk are hereby authorized and directed to sign the *Agreement for the Sale of Real Estate* and the Special Warranty Deed required by that Agreement, on behalf of the City of Des Moines, and the City Clerk is hereby authorized and directed to attest to the Mayor's signature on such documents. The City Clerk is further directed to forward such executed documents to the Legal Department.
4. The City Manager or his designees are hereby authorized and directed to administer the Agreement on behalf of the City and to monitor compliance by the Developer with the terms and conditions of the Agreement. The City Manager is further directed to forward to City Council all matters and documents that require further City Council review and approval in accordance with the Agreement.

MOVED by Gatto to adopt.

FORM APPROVED:

Roger K. Brown
 Roger K. Brown, Assistant City Attorney
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| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|------|------|------|--------|
| COWNIE | ✓ | | | |
| BOESEN | ✓ | | | |
| COLEMAN | ✓ | | | |
| GATTO | ✓ | | | |
| GRAY | ✓ | | | |
| MANDELBAUM | ✓ | | | |
| WESTERGAARD | ✓ | | | |
| TOTAL | 7 | | | |

MOTION CARRIED 7 APPROVED
T. M. Franklin 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.

Diane Rauh City Clerk