



Roll Call Number

23-0295

Agenda Item Number

18

Date March 6, 2023

SET HEARING FOR APPROVAL OF DOCUMENTS FOR CONVEYANCE OF A PORTION OF VACATED 41ST STREET LOCATED EAST OF AND ADJOINING 545 42ND STREET, BY INSTALLMENT CONTRACT TO ST. AUGUSTIN’S CHURCH OF DES MOINES FOR \$73,000

WHEREAS, on January 25, 1999, by Roll Call 99-219, the City of Des Moines City Council passed Ordinance No. 13,671 vacating all of the 41st Street right-of-way between Grand Avenue and Ingersoll Avenue; and

WHEREAS, on June 7, 1999, by Roll Call 99-1817, the City of Des Moines City Council voted to approve a lease agreement with St. Augustin’s Church of Des Moines for that part of vacated 41st Street right-of-way located east of and adjoining 545 42nd Street, Des Moines, Iowa, as legally described below, hereinafter “Property”; which lease agreement contained, among other terms, the following:

- An initial forty-nine (49) year term with five 10-year renewal options;
- An initial base rent of \$5,698.00 and adjustments to the annual rent every ten years reflecting 50% of the change in the Consumer Price Index for the previous ten years;
- A Payment In Lieu Of Taxes (PILOT) for the first ten years of the lease term equal to 14% of the City levy upon any conversion of the property east of 41st Street to tax-exempt status; and

WHEREAS, St. Augustin’s Church of Des Moines (“Buyer”), has now offered to the City of Des Moines, Iowa (“City”), the purchase price of \$73,000.00 for the purchase of said Property in order to assemble it with their adjoining property, which price reflects the restricted fair market value of said Property as determined by the City’s Real Estate Division; and

WHEREAS, the Real Estate Division staff and St. Augustin’s Church of Des Moines have negotiated the terms of a Real Estate Purchase Installment Contract for the proposed conveyance, which contract includes the following terms:

- Purchase Price of \$73,000.00, which price reflects a no-build easement which will be included in the Quit Claim Deed from City to Buyer;
- A credit towards the Purchase Price in the amount of \$7,044.00 for rent paid toward the 2022-2023 lease year;
- Interest at a rate of 3% per annum on the remaining balance of \$65,596.00;
- Ten (10) annual installment payments beginning July 1, 2023; and

WHEREAS, the City has no known current or anticipated public need for the Property proposed to be sold and the City will not be inconvenienced by the sale of said Property.

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

1. The City Council of the City of Des Moines, Iowa, proposes to sell that part of vacated 41st Street right-of-way located east of and adjoining 545 42nd Street, Des Moines, Iowa, legally described as follows, to St. Augustin’s Church of Des Moines, for \$73,000.00 plus interest pursuant to the terms and

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conditions of the installment contract, subject to a reservation of easements therein, and further subject to the reservation of a no-build easement on the Property:

ALL THAT PART OF VACATED 41ST STREET RIGHT OF WAY BETWEEN INGERSOLL AVENUE AND GRAND AVENUE, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE VACATED EAST 59.0 FEET OF THE 66.0 FOOT 41ST STREET RIGHT OF WAY LYING EAST OF AND ADJOINING THE SOUTH 300.0 FEET OF LOT 5, GREENWOOD PARK, AN OFFICIAL PLAT, ALL NOW INCLUDED IN AND FORMING A PART OF CITY OF DES MOINES, POLK COUNTY, IOWA. (VACATED BY ORDINANCE 13671, PASSED JANUARY 25, 1999).

(THE WEST 7.0 FEET OF 41ST STREET RIGHT OF WAY LYING EAST OF AND ADJOINING THE SOUTH 300.0 FEET OF SAID LOT 5 HAVING BEEN PREVIOUSLY VACATED AND CONVEYED).

2. A public hearing shall be held on, at 5:00 p.m. on March 27, 2023 in the City Council Chamber, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa. At that time the City Council will consider the above-described proposal and any other(s) submitted prior to or during the public hearing. Persons interested in the proposal will be given the opportunity to express their views at that hearing.

Please check the posted agenda in advance of the March 27, 2023 meeting for any update on the manner in which the public hearing will be conducted to comply with COVID-19 social distancing and safety guidelines.

3. The City Clerk is hereby authorized and directed to publish notice of said proposal and hearing in the form hereto attached, all in accordance with Section 362.3 of the Iowa Code.

4. Non-project related land sale proceeds are used to support general operating budget expenses: Org – EG064090.

Moved by Gatto to adopt. Second by Voss.

APPROVED AS TO FORM:

/s/ Mackenzie L. Moreno
Mackenzie L. Moreno, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
BOESEN	✓			
GATTO	✓			
MANDELBAUM	✓			
SHEUMAKER	✓			
VOSS	✓			
WESTERGAARD	✓			
TOTAL	7			
MOTION CARRIED		APPROVED		

J. M. Frankel Cownie Mayor

CERTIFICATE

I, LAURA BAUMGARTNER, 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.

Laura Baumgartner
Laura Baumgartner, City Clerk