


## COUNCIL COMMUNICATION

|   |               |   |            |                          |
|---|---------------|---|------------|--------------------------|
|  | Number:       | <b>21-492</b>   | Meeting:   | <b>November 15, 2021</b> |
|   | Agenda Item:  | <b>35</b>   | Roll Call: | <b>21-1747</b>           |
|   | Submitted by: | <b>Steven L. Naber, P.E., City Engineer, and Erin Olson-Douglas, Development Services Department Director</b> |            |                          |

### AGENDA HEADING:

Hold hearing for approval of documents for conveyance of excess City-owned property locally known as 2411, 2501, and 2505 Sunset Road, and District/Parcels 010/05229-000-000 and 010/05230-000-000 to Midwest Quality Wholesale, Inc. for \$133,200.

### SYNOPSIS:

Recommend approval of conveyance of excess City-owned property locally known as 2411, 2501 and 2505 Sunset Road, and District/Parcels 010/05229-000-000 and 010/05230-000-000 to Midwest Quality Wholesale, Inc. (Garrett S. Piklapp, Secretary, 715 8th Street, Boone, IA 50036-0070), for \$133,200, subject to the reservation of easements for utilities in place, and further subject to the terms and conditions contained in the purchase agreement including the reservation by the City of Des Moines of the right to repurchase the Property or any portion thereof, if Midwest Quality Wholesale, Inc. fails to timely meet the development requirements included in the purchase agreement which easement and reservation will be included in the Quit Claim Deed from City to the buyer.

The sale of this excess City-owned property will allow Midwest Quality Wholesale, Inc., a subsidiary of Fareway Stores, Inc., to assemble it with their property at 2418 Sunset Road for future expansion of their business. This action is required by Iowa law prior to making a final determination on the proposed sale by resolution. There is no current or anticipated public need for this property, and this conveyance will eliminate future maintenance and liability costs for the City and will return the property to the tax rolls.

### FISCAL IMPACT:

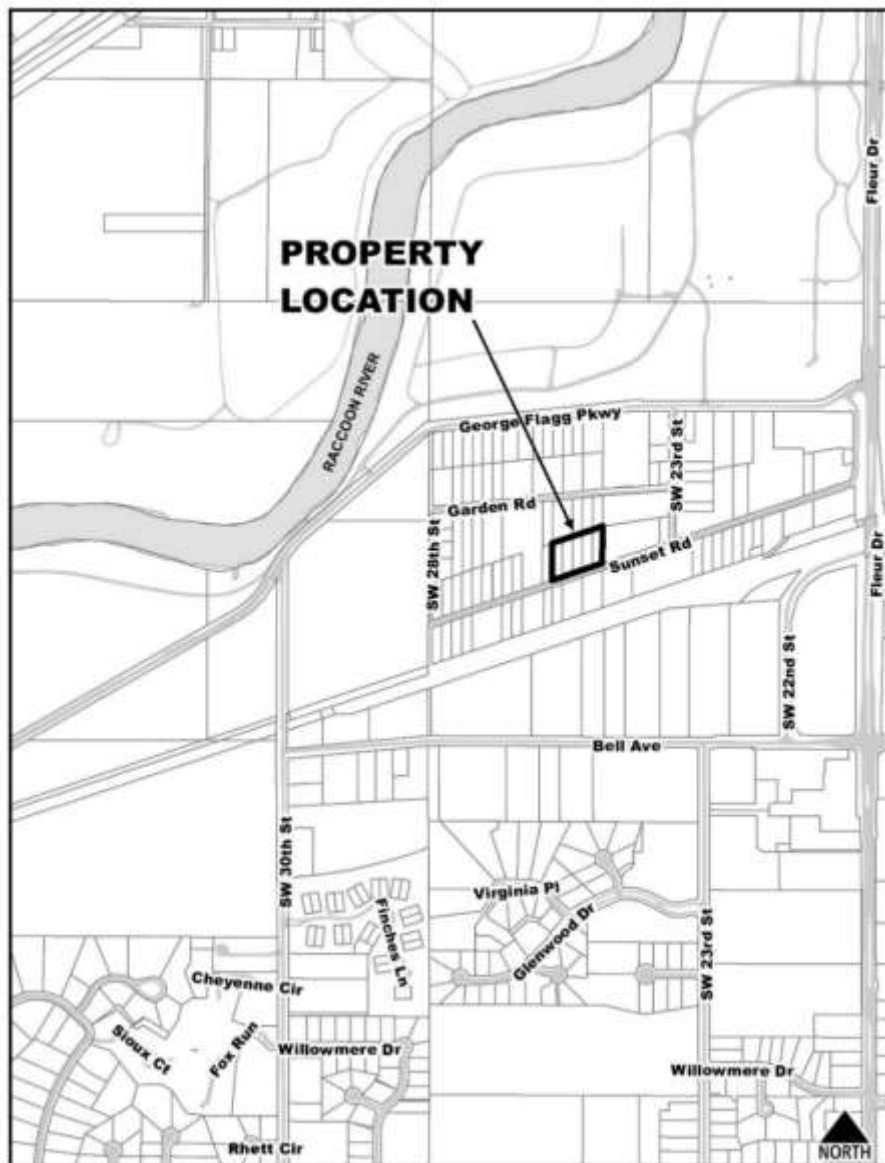
Amount: \$133,200 (Revenue)

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

### ADDITIONAL INFORMATION:

- Midwest Quality Wholesale, Inc., a subsidiary of Fareway Stores, Inc., purchased the Brewer Meats processing facility at 2418 Sunset Road on January 26, 2021, to expand its meat processing and butcher operations.

- Midwest Quality Wholesale, Inc. offered the City of Des Moines \$133,200 for the purchase of the City property located directly across Sunset Road from the meat processing facility. The negotiated purchase agreement will allow for the immediate construction of parking, paving, and other acceptable ground improvements, and the requirement that Midwest Quality Wholesale, Inc. commence construction of a minimum 13,320 square-foot enclosed building within six (6) years from the date of closing on the purchase as part of a City-approved site plan and all other City approval processes.
- The property to be conveyed was previously encumbered with Federal Emergency Management Agency (FEMA) flood buyout conditions and restrictions, which prohibited any sale or redevelopment of the property. Those restrictions were released by FEMA in April 2017 after the City received full accreditation of its flood protection levee system, and the property can now be sold for redevelopment.
- The property to be conveyed consists of 66,600 square feet and the purchase price of \$133,200 is equal to the fair market value of the property, as determined by the City's Real Estate Division.



**PREVIOUS COUNCIL ACTION(S):**

Date: November 1, 2021

Roll Call Number: [21-1658](#)

Action: [On](#) conveyance of excess City-owned property locally known as 2411, 2501 and 2505 Sunset Road, and District/Parcels 010/05229-000-000 and 010/05230-000-000 to Midwest Quality Wholesale, Inc., \$133,200, (11-15-21). Moved by Gatto to adopt. Motion Carried 6-1. Absent: Cownie.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).