


COUNCIL COMMUNICATION

	Number:	24-198	Meeting:	May 6, 2024
	Agenda Item:	48	Roll Call:	24-0685
	Submitted by:	Cody Christensen, Development Services Director and Steven L. Naber, P.E., City Engineer		

AGENDA HEADING:

Hold hearing for approval of documents for conveyance of City-owned property located at 3500 Vandalia Road to Des Moines Area Regional Transit Authority (DART) for \$3,860,000.

SYNOPSIS:

Recommend approval of documents for conveyance of City-owned property located at 3500 Vandalia Road to DART (Amanda Wanke, CEO, 620 Cherry Street, Des Moines, Iowa 50309) for \$3,860,000. This action is required by Iowa law prior to making a final determination on the proposed sale by resolution.

DART has identified the City-owned property located at 3500 Vandalia Road (Property) as the most suitable site for construction of a new vehicle storage, maintenance, and operation facility, which will eventually replace DART's current facility located south of the central business district at 1100 Dart Way. DART's current facility has reached the end of its useful life, is in poor condition, and is located on a site that is landlocked. The new facility, which is proposed to be constructed in two (2) phases, will allow DART to operate more effectively in the long term to support daily bus service to Greater Des Moines.

DART has secured funding to purchase the land and begin constructing the first phase of the project: a 76,844 square foot \$34.8 million maintenance facility. Construction of this phase is expected to proceed in August of 2024. The timing of the second phase, proposed to include an additional 210,412 square foot bus storage and administrative operations building, is currently undetermined and will depend upon DART securing additional funding.

The Property to be conveyed consists of approximately 37.7 acres and the purchase price of \$3,860,000 is equal to the fair market value of the property, as determined by an independent appraisal.

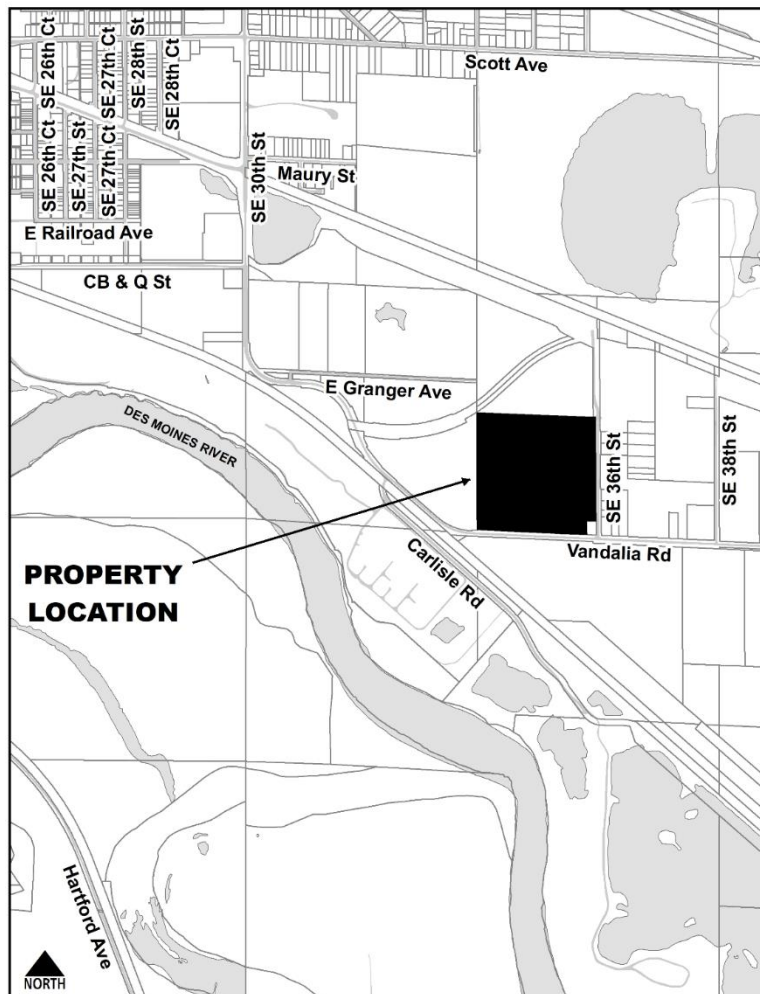
FISCAL IMPACT:

Amount: \$3,860,000 (Revenue)

Funding Source: Land sale proceeds will be deposited into the Fiscal Year (FY) 2024 Operating Budget, Page 93, Special Revenue and Other Funds, S370 ND408708 Tax Increment Financing (TIF) Southeast Agricultural District.

ADDITIONAL INFORMATION:

- On January 18, 2024, the City Plan and Zoning Commission voted to recommend the approval of a request from the City of Des Moines to amend the PlanDSM: Creating Our Tomorrow future land use designation for a portion of the Property from Business Park to Industrial ("EX" Mixed Use District to "I2" Industrial District), to allow the development of DART's new vehicle storage, maintenance, and operation facility.
- On February 19, 2024, by Roll Call No. 24-0277 and Roll Call No. 24-0279, the City Council approved the above City Plan and Zoning Commission recommendation and passed Ordinance No. 16,332 to amend the future land use classification of the Property from "EX" Mixed Use District to "I2" Industrial District.
- On March 4, 2024, by Roll Call No. 24-0357, the City Council dismissed a public hearing on conveyance of the Property to DART for \$3,910,000, after it was determined by City staff that the east 20 feet of the Property needed to be retained by the City for the planned reconstruction of Southeast 36th Street in conjunction with the SE Connector Project.
- By removing the east 20 feet of the Property, the total size of the Property was reduced from 38.2 acres to 37.7 acres and the fair market value of the property was reduced from \$3,910,000 to \$3,860,000.
- Closing on the sale of the Property is set for May 15, 2024.



PREVIOUS COUNCIL ACTION(S):

Date: March 4, 2024

Roll Call Number: [24-0357](#)

Action: [Dismiss](#) hearing on conveyance of City-owned property located at 3500 Vandalia Road to DART, \$3,910,000. Moved by Gatto to adopt. Second by Voss. Motion Carried 6-0.

Date: February 19, 2024

Roll Call Number: [24-0277](#), [24-0278](#) and [24-0279](#)

Action: [On](#) a request from City of Des Moines to amend the PlanDSM: Creating Our Tomorrow Comprehensive Plan to revise the future land use classification from Business Park to Industrial and to rezone the property located in the vicinity of 3500 Vandalia Avenue from “EX” Mixed Use District to “I2” Industrial District to allow the development of a vehicle storage, maintenance, and operation facility for the DART. Moved by Gatto to adopt. Second by Mandelbaum. Motion Carried 6-0.

- (A) [First](#) consideration of ordinance above. Moved by Gatto that this ordinance be considered and given first vote for passage. Second by Mandelbaum. Motion Carried 6-0.
- (B) [Final](#) consideration of ordinance above (waiver requested by Cody Christensen, Development Services Director), requires six votes. Moved by Gatto that the rule requiring that an ordinance must be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage and that the ordinance do now pass, [#16,332](#). Second by Mandelbaum. Motion Carried 6-0.

BOARD/COMMISSION ACTION(S):

Board: Plan and Zoning Commission

Date: January 18, 2024

Resolution Number: COMP-2023-000044 and ZONG-2023-000073

Action: Part A) Staff recommends that the requested “I2” District be found not in conformance with PlanDSM Creating Our Tomorrow Comprehensive Plan future land use classification of Business Park.

Part B) Staff recommends approval of the requested amendment to the PlanDSM: Creating Our Tomorrow Plan to revise the future land use classification from Business Park to Industrial.

Part C) Staff recommends approval of the rezoning of the property from “EX” Mixed Use District to “I2” Industrial District.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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