

Date February 10, 2014

RECEIVE AND FILE COMMUNICATION FROM CHRISTOPHER BUCHANAN,
D/B/A SCOTTY'S BODY SHOP, REGARDING REQUEST TO PURCHASE
CITY-OWNED PARK PROPERTY AT 504 SE 6th STREET

WHEREAS, the owners of Scotty's Body Shop have received a proposal to sell their properties at the northeast corner of Grand Avenue and 15th Street; and

WHEREAS, Scotty's Body Shop has conducted a comprehensive search for a suitable replacement site in or near the downtown area and has determined that the City-owned park property at 504 SE 6th Street is the preferred site for relocation of its business.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, that the attached letter from Hansen Real Estate Services, representing Scotty's Auto Body, is hereby received and filed.

BE IT FURTHER RESOLVED, that the proposed sale of the City-owned park property at 504 SE 6th Street be referred to the City Manager and Park and Recreation Board for review and recommendation and return to Council for further action on said request.

MOVED by _____ to receive and file and refer to the City Manager and Park and Recreation Board for review and recommendation.

FORM APPROVED:


Roger K. Brown, Assistant City Attorney

| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|------|------|----------|--------|
| COWNIE | | | | |
| COLEMAN | | | | |
| GRAY | | | | |
| HENSLEY | | | | |
| MAHAFFEY | | | | |
| MOORE | | | | |
| VOSS | | | | |
| TOTAL | | | | |
| MOTION CARRIED | | | APPROVED | |
| _____ Mayor | | | | |

CERTIFICATE

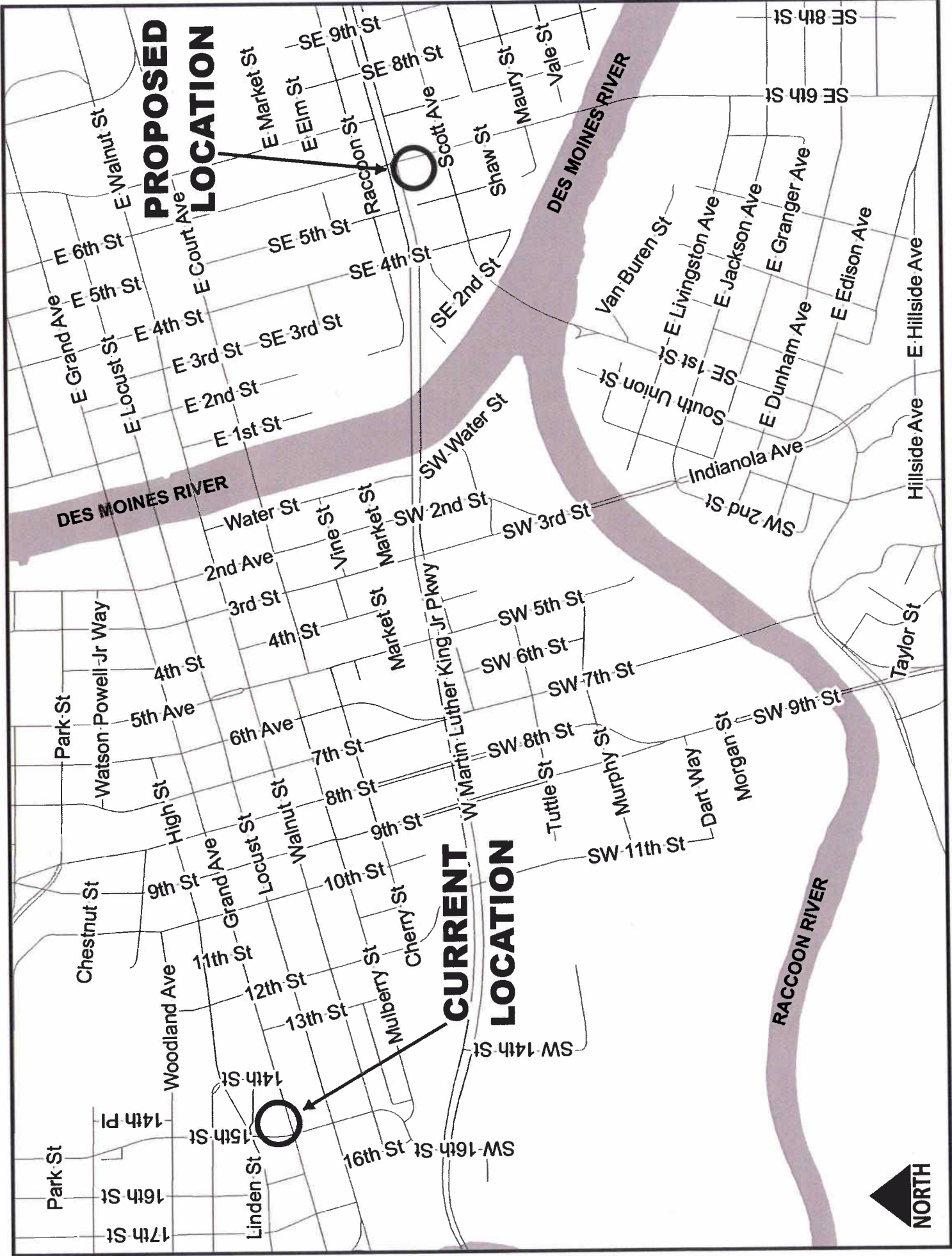
I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

PROPOSED LOCATION

CURRENT LOCATION





February 4, 2014

City of Des Moines
Attn: City Manager Rick Clark and City Council
400 Robert D. Ray Drive
Des Moines, IA 50309-1891

RE: Sale of City Owned Property at 504 SE 6th St., Des Moines

Dear City Manager Rick Clark and City Council,

Please see our attached offer to purchase the City of Des Moines property located at 504 SE 6th St., Des Moines on behalf of our client, Christopher Buchanan, d.b.a. Scotty's Body Shop.

This request to relocate is a result of our client receiving an offer to sell their current facility located at 1430 Linden St., Des Moines, immediately north of the Western Gateway Park. Scotty's Body Shop is committed to the community and their customers, however they understand that the City of Des Moines has a development opportunity that will bring a higher and better use for this property. The 504 SE 6th location gives them the opportunity to stay downtown and to continue servicing their customers.

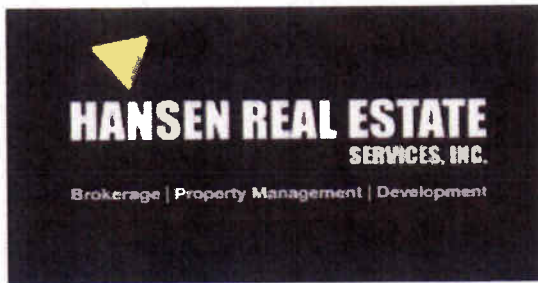
We ask the Council to refer this matter to the City Manager and Park Board for their immediate review and consideration for its disposition. Furthermore, its our understanding that the Park Board typically requires two meetings for approval and Council will require a minimum of two and up to four meetings. Due to timing demands and deadlines in the transaction of Scotty's current location we ask that the Park Board considers making a determination in the first meeting and City Council in as few meetings as possible.

Thanks in advance and please contact me at 515.270.9166 with any questions.

Sincerely,

A handwritten signature in blue ink, appearing to be "Troy W. Hansen", written over a horizontal line.

Troy W. Hansen
President



February 4, 2014

Phil Wageman - City Council
Real Estate Manager
City of Des Moines
400 Robert D. Ray Drive
Des Moines, IA 50309

Re: LOI for Purchase of 504 SE 6, Des Moines

Dear Mr. Wageman and City Council Members:

This letter is being submitted on behalf of my client, Christopher Buchanan, d.b.a. Scotty's Body Shop, as well as Buchanan Family Properties, LLC, and will serve as a non-binding Letter of Intent to purchase land at the above referenced property under the following terms and conditions:

| | |
|--------------------------------|--|
| SELLER: | City of Des Moines |
| BUYER | Christopher S. Buchanan, d.b.a. Scotty's Body Shop |
| Square Feet: | 42,000 SF, LAND. |
| Purchase Price: | Fair Market value as determined by up-to-date appraisal, via licensed appraiser located in Polk County. Said determined price to be reviewed to be acceptable by Buyer. |
| Address: | 504 SE 6th Street, Des Moines, IA. Please refer to Exhibit "A". The Parcel is highlighted in yellow. |
| Legal Description: | LOTS 6, 7, 8, 9 & 10 BLK 46 TOWN OF DE MOINE |
| Purpose of Acquisition: | This Site to be used for the relocation of existing location of 1431 Linden Street, in order to facilitate the highest and best use of the 1431 Linden Street and benefit the City of Des Moines with further better development at and around the Western Gateway Sculpture Park. |
| Earnest Money Deposit: | One thousand dollars (\$1,000) tendered to and held in trust by Buyers attorney. The earnest money shall be refunded to the Buyer in the event that the Buyer decides during the Due Diligence period to not move forward to acquire and close on the Property, then all money's shall be refunded to Buyer. |

Due Diligence Period: Unless shortened by Buyer, the Due Diligence Period shall commence by the completion of a fully executed Buyer's/ Purchase Agreement. During the Due Diligence Period the buyer shall have the right to perform all inspections, studies, surveys, tests and analysis of the Property. Buyer in its sole discretion may terminate the Purchase Agreement at any point during the Due Diligence Period for any reason.

1031 Exchange: The City of Des Moines shall recognize and cooperate with Buyer and the timings of a 1031 Exchange for said property.

Closing Date: Unless otherwise terminated, closing will be held in accordance with Buyer's 1031 Exchange guidelines for acquisition.

Possession: On or about the time of Closing.

Exclusive Negotiations: Seller shall agree that it shall negotiate exclusively and in good faith with the Buyer for the sale of the Property for the period after the date of a fully executed purchase agreement or vote to move forward by the City of Des Moines.

Contingency: This LOI and any Purchase Agreement will be contingent upon the sale closing of (i) parcels currently owned by Buchanan Family Properties, LLC, locally known as 1425 and 1441 Grand Avenue, and (ii) parcels currently owned by Christopher S. Buchanan, individual, locally known as 1430 and 1432 Linden Street. These two transactions are subject to separate and distinct Purchase Agreements but are contingent upon one another.

Acceptance: This Letter of Intent shall be open for acceptance until it is determined by the City of Des Moines, if a Purchase Agreement or Closing can occur for said property, or until Buyer provides a letter stating it no longer intends to acquire said property.



This Letter is not a binding contract (except with respect to Seller's covenant contained in the Exclusive Negotiations section above). A definitive and binding contract will not exist or be executed unless and until the parties have fully negotiated, executed and delivered a formal Purchase and Sale Agreement regarding the subject matter of this letter and containing all other material and essential terms to the parties in their sole discretion. Upon execution hereof by the Seller, Buyer shall draft a Purchase and Sale Agreement for Seller's review.

Respectfully submitted,

Agent: Shannon Jack Morton
HANSEN REAL ESTATE SERVICES, INC

AGREED AND ACCEPTED:
BUYER OR BUYER'S AGENT

X [Signature]
By

X OWNER
Its

X 2-5-2014
Date

AGREED AND ACCEPTED:
SELLER

By

Its

Date

Exhibit "A"

AT&T 1:50 PM 42%

web.assess.co.polk.la.us

Polk County Assessor 040/01338-0...

Map and Current

Click on parcel to get a new listing

Get Bigger Map
[Google Map](#) [Pictometry](#)

Historic
Links a

[his page](#) [Estimate your Taxes](#) [Tre](#)
[an & Grid](#) [Similar Property Search](#) [Co](#)