

February 13, 2015

To: Mayor Bemrich and City Council
From: David Fierke, City Manager
Subject: Property Disposition
Lots 3, 4 & 5, Block 28, Original Town of
Fort Dodge, Iowa (fka 401 & 413 2nd Ave S)



ACTION: For Vote Monday, February 23, 2015

Brief History

In September of 2010, the City acquired the above-referenced property and cleared the site for redevelopment. The Fort Dodge Family Credit Union Center (FDFCU), currently located at 215 Central Avenue, has expressed a desire to construct new facilities at this site and submitted the attached proposal.

Analysis of Issue

Disposing of this property would allow for a catalyst project to be constructed on the Crosstown Connector as well as alleviating the City from the maintenance of the property. It will also provide additional tax base to the City.

The FDFCU intends to invest \$1,230,000 into the site. They will construct a 70' x 64'3" building with an 8' x 14' entry. In addition, there will be 3,031 s.f. of green space, 25 parking stalls and a pedestrian plaza on the northwest corner of the lot. The use of decorative fencing will also be incorporated into the site to tie the landscaping into the Crosstown Connector and 5th Avenue South Corridor Projects. The disposal of this property requires the development to meet the Downtown Design Guidelines as well.

Budget Impact

Under the proposal from the FDFCU, the property would be sold for \$76,000, based on a recent appraisal of the site. These funds would be placed in the Economic Development Revolving Fund. When the project is at least 50% complete, the City would provide an economic development grant to the FDFCU in the amount of \$76,000.

The FDFCU is eligible to apply for tax abatement on the project, choosing either the 10 year sliding scale or 3 year 100%. Property taxes generated following the abatement period are estimated at \$20,000 annually.

Strategic Plan Impact

Policy C.2.1: The important economic, tourism, and community image benefits of attractive major travel corridors through the area shall be recognized. Such entryway

corridors shall receive priority attention for improved appearance and development standards, including landscaping, signage, tree preservation, underground utilities, streetlights, and sidewalks.

Policy C.3.1: Primary entryway corridors into "Downtown Center" shall continue to receive priority for visual enhancements, employing special development standards, public investment, and community involvement to facilitate constructive change.

Existing Plan Impact

The disposal of this property is consistent with the Envision 2030 Plan.

Subcommittee or Commission Review / Recommendation

None

Staff Conclusions / Recommendations

Staff recommends approving the disposition of this site to the FDFCU under the general terms provided in the attached proposal. A formal agreement will be drafted and presented to the City Council for consideration at the March 9th meeting.

Alternatives

The only alternative would be to not dispose of this property, which is not recommended.

Implementation and Accountability

If this resolution is approved, staff will draft a development agreement with FDFCU for consideration at the March 9th meeting.

| | |
|----------------|------------------------------|
| March, 2015 | Disposal of property |
| Spring, 2015 | Begin construction |
| December, 2015 | Estimated date of completion |

Signed

Approved



Vickie L. Reeck
Community Development Manager

David R. Fierke
City Manager

RESOLUTION NO. _____

**RESOLUTION APPROVING THE OFFERING OF PROPERTY FOR SALE AND
METHOD OF SELECTING A DEVELOPER FOLLOWING PUBLIC HEARING**

WHEREAS, the City is fee simple owner of real estate located in Fort Dodge,
Iowa and further described as:

Lots 3, 4 and 5, in Block 28, in the Original Town of Fort Dodge, Webster
County, Iowa (fka 401 & 413 2nd Avenue South)

and,

WHEREAS, the City has no use for said real estate except as hereinafter set out;
and,

WHEREAS, a public hearing was held on the 23rd day of February, 2015 at 6:00
p.m. following notice on such disposal pursuant to Section 364.7 of the Code of
Iowa; and

WHEREAS, the attached proposal for the redevelopment of the site was received
from the Fort Dodge Family Credit Union; and,

WHEREAS, it is deemed in the public interest to dispose of the said real estate to
the Fort Dodge Family Credit Union under the general terms specified in the
attached proposal; and,

WHEREAS, a formal agreement specifying the terms and conditions of sale will
be presented to the City Council prior to disposal.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF
THE CITY OF FORT DODGE, IOWA:

1. That objections, if any, presented at the public hearing be and the same
are hereby overruled.
2. That said property be sold to the Fort Dodge Family Credit Union under
the general terms and conditions in the attached proposal.
3. That a formal agreement will be executed prior to the transfer of the
property.

PASSED AND APPROVED by the Fort Dodge City Council this _____ day of
_____, 2015.

AYES: _____

NAYS: _____

OTHER: _____

CITY OF FORT DODGE, IOWA

By: _____
Matt Bemrich, Mayor

ATTEST:

Jeff Nemmers, City Clerk



**Fort Dodge Family Credit Union
Proposed location corner of 4th St and 2nd Ave South
Fort Dodge, Iowa**

Fort Dodge Family Credit Union would like to submit a bid of \$76,000 for the purchase of the City owned lots which are located at 401 & 413 2nd Ave S in Fort Dodge. This location would be the new site for our Credit Union.

The building would be approximately 70' x 64' 3" with 8' x 14' entry. There will be 3,031 sf of green space, 23 parking stalls and 2 ADA parking stalls. In addition, a plaza will be constructed on the northwest corner of the lot. The use of decorated fence will be incorporated to help tie the landscaping of the Crosstown Connector with the 5th Ave Corridor.

The building site has adhered to the Downtown Design Guidelines which added considerable to the cost of the project. The estimated construction costs will be approximately \$1,230,000.00.

At this time, we would request a grant in the amount of \$76,000.00 to help defray a portion of the estimated cost of \$234,147.75 to meet these Guidelines.

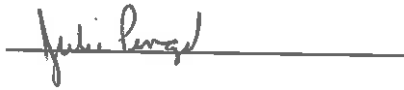
In addition, we have allotted an amount of \$10,875.00 for the total site clean-up. This includes clean-up of asphalt 120' x 140', large footing removal from signs, existing building concrete floor and footing clean-up. It would be our request to ask the City to reimburse Fort Dodge

Family Credit Union any additional amount above and beyond the \$10,875.00 necessary to prepare the lot for construction.

We would also request to have a 10 year sliding tax adjustment on our new facility.

Fort Dodge Family Credit Union

Dated this 12th Day of February, 2015

A handwritten signature in cursive script, appearing to read "Julie Pingel", is written over a solid horizontal line.

Julie Pingel

A handwritten signature in cursive script, appearing to read "Tom Johnson", is written over a solid horizontal line. To the right of the signature, the date "12 FEB 15" is handwritten.

Tom Johnson





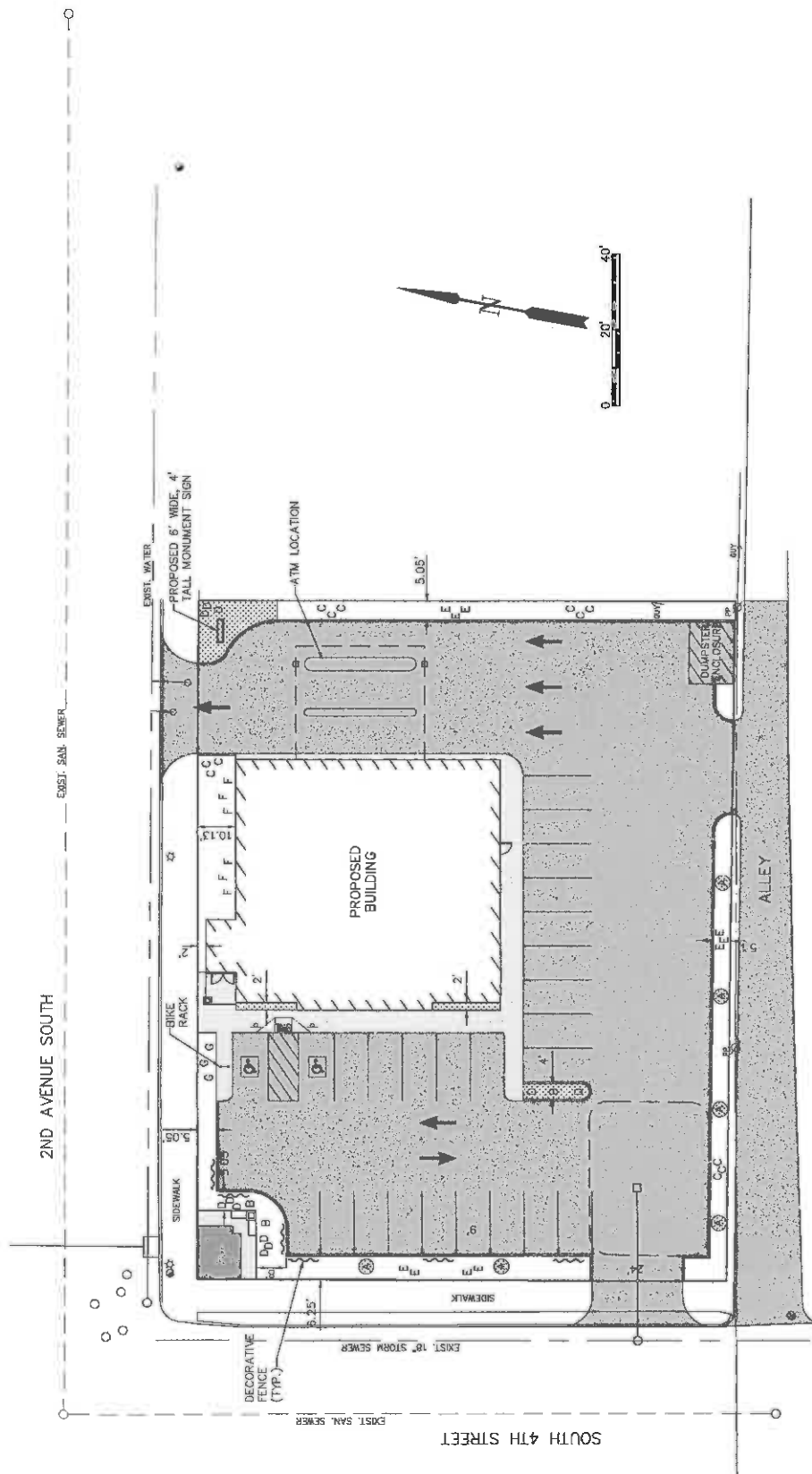


LEGEND

| | |
|-----------------------|-----|
| WATER MAIN | --- |
| SANITARY SEWER | --- |
| ELECTRICAL | --- |
| MANHOLE | ○ |
| INLET | □ |
| HYDRANT | ● |
| VALVE | ⊕ |
| POWER POLE | ⊕ |
| GUY WIRE | ⊕ |
| TELEPHONE PEDESTAL | ⊕ |
| LIGHT POLE | ⊕ |
| PROPOSED PCC SIDEWALK | ▨ |
| PROPOSED PCC PARKING | ▨ |

PLANTING LEGEND

| | |
|-----|-------------------------------|
| A-F | TREES |
| C-E | SHRUBS |
| F-G | FLOWERS |
| ▨ | ALLEGHENY SPURGE GROUND COVER |
| □ | TURF GRASS (SEE SPEC. TYPE 1) |



PLANTING SCHEDULE

| SYMBOL | TYPE OF PLANT | SIZE | HEIGHT | NUMBER | AREA (SF) | REQUIRED (PER CODE) | COMMENTS |
|----------------|-------------------------------|----------|--------|--------|-----------|---------------------|--|
| TREES | | | | | | | |
| A | BLACK MAPLE | 2" CAL | N/A | 6 | N/A | | |
| B | EASTERN REDBUD | 1.5" CAL | N/A | 3 | N/A | | |
| TOTAL | | | | 9 | | 5 | 1/300 |
| SHRUBS | | | | | | | |
| C | MEADOWSWEET SPIREA | 18" | N/A | 12 | N/A | | |
| D | ANTHONY WATERER SPIREA | 18" | N/A | 11 | N/A | | |
| E | TANGERINE POTENTILLA | 18" | N/A | 10 | N/A | | |
| TOTAL | | | | 33 | | 16 | 1/100 |
| FLOWERS | | | | | | | |
| F | VIRGINIA BLUEBELL | N/A | N/A | 6 | N/A | | |
| G | DAYLILY | N/A | N/A | 3 | N/A | | |
| TOTAL | | | | 9 | | 7 | 16,066 SF PARKING x 2% = 322 SF 322/50 |
| ▨ | ALLEGHENY SPURGE GROUND COVER | N/A | N/A | N/A | 428 | | |
| □ | TURF GRASS | N/A | N/A | N/A | 2,603 | | |
| TOTAL | | | | | 3,031 | 14,286 | |