



**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

02-031

SYNOPSIS -

AGENDA:

Resolution to reject offer to purchase 2814 Chicago Ave. from Leo and Marjorie Angelo for \$20,000.

JANUARY 28, 2002

FISCAL IMPACT -

SUBJECT:

It is anticipated that marketing the property will result in receiving an offer at or near Fair Market Value (FMV) (\$60,000 as of December 17, 2001) for the purchase of the property.

REJECT OFFER TO
PURCHASE
REAL ESTATE
LOCATED AT 2814
CHICAGO AVE.

The sale of the property at or near FMV will result in recovering a greater portion of the actual acquisition, relocation, and required construction costs involved with the original 7th Ward Ditch project.

TYPE:

RECOMMENDATION -

RESOLUTION
ORDINANCE
RECEIVE/FILE

Approve Park and Recreation Director and Acting City Engineer recommendation to reject offer to purchase 2814 Chicago Ave. and authorize City Properties Administrator to continue to market and solicit offers at or near the FMV for City Council consideration.

SUBMITTED BY:

BACKGROUND -

DONALD M. TRIPP
PARK AND
RECREATION
DIRECTOR

On August 7, 2000, by Roll Call No. 00-3316, the City Council approved the FMV of the purchase of the property in the amount of \$72,500.

JEB E. BREWER
ACTING CITY
ENGINEER

On May 21, 2001, by Roll Call No. 01-1520, the City Council approved the offer to purchase in conjunction with the 7th Ward Ditch Flood Control Phase II Improvement Project.

The property was acquired to remove a portion of the structure that impeded the construction of the 7th Ward Ditch Flood Control Phase

II Improvement Project. The Engineering Department authorized the removal of the obstructions (family room), at a cost of \$17,474. Following the completion of the improvements, a new appraisal was completed to establish FMV at \$60,000.

On December 10, 2001, the City Properties Administrator received a written proposal to purchase the property for \$20,000. This offer is less than 1/3 of the current appraised value of the property. After review of the proposal and discussions with the Engineering Department, it was determined that this offer be rejected and marketing of the property be continued.
