



Council
Communication
Office of the City Manager

Date

September 11, 2006

Agenda Item No. 15
Roll Call No. 06-
Communication No. 06-573
Submitted by: **Jeb E. Brewer, P.E.,**
City Engineer

AGENDA HEADING:

Resolution establishing Fair Market Value and authorizing acquisition of property located at 1204 Scott Avenue for the Southeast Connector Project by Gift, Negotiation, or Condemnation.

SYNOPSIS:

Recommend approval of the fair market value of \$18,000 for 1204 Scott Avenue for the Southeast Connector Project. This action is required under Iowa law prior to making an offer to purchase property interests for public improvement projects under the threat of eminent domain.

FISCAL IMPACT:

Amount: \$18,000 plus closing costs.

Funding Source: 2006-07 CIP, Street Improvements, Page 39, Southeast Connector – S.E. Sixth Street to S.E. 14th, STR219, TIF

ADDITIONAL INFORMATION:

Phase 1 of the Southeast Connector Project will complete a new transportation facility from the east terminus of the present M.L. King, Jr. Parkway at SW Second Street to Southeast 14th Street. The City is still waiting for the Iowa Department of Transportation (IDOT) to authorize the acquisition of all necessary property interests between Southwest 2nd Avenue and Southeast 14th Street. Once IDOT grants this authorization, all property acquisition costs are eligible for reimbursement through the various state and federal grants that have been awarded to this project. However, the City can proceed with the acquisition of this low cost property now with City funds if IDOT's approval for property acquisition has not been granted prior to closing on this property.

The Deutsche Bank Trust Company Americas, as Trustee, is the current owner of the property located at 1204 Scott Avenue and the property is presently unoccupied. If the property is not purchased at this time and later becomes occupied, the City may be liable for relocation assistance expenses in the future.

The appraised value of the subject property has been determined to be \$18,000. The appraised value is based on a third party independent appraisal and the City of Des Moines' Real Estate Division Appraiser has reviewed the appraisal. This action establishes fair market value and authorizes acquisition of the property at 1204 Scott Avenue by gift, negotiation or condemnation, as part of the above referenced project.

PREVIOUS COUNCIL ACTION(S):

Date: April 25, 2005

Roll Call Number: 05-969

Action: Authorization to proceed with acquisition of right-of-way and easements for the SE Connector Project from SW 2nd Street to SE 14th Street. Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE