



**Council  
Communication**  
Office of the City Manager

**Date** December 4, 2006

**Agenda Item No.** 47  
**Roll Call No.** 06-  
**Communication No.** 06-754  
**Submitted by:** **Jeb E. Brewer, P.E.,**  
**City Engineer**

**AGENDA HEADING:**

Hold hearing on the vacation and conveyance of a portion of the East/West alley extending West from East 30<sup>th</sup> Street between East Grand and East Capitol Avenues, and the North 25 feet of a segment of Capitol Avenue extending West from East 30<sup>th</sup> Street, to Neighborhood Development Corporation for \$4,800.

**SYNOPSIS:**

Recommend approval for the vacation and sale of such property to Neighborhood Development Corporation, an Iowa corporation, Karen Jeske, Executive Director, 601 Forest Avenue, Des Moines, Iowa, 50314, for \$4,800. This action is required by Iowa law prior to making a final determination on the proposed sale by resolution. There is no current or anticipated public need for this property.

**FISCAL IMPACT:**

Amount: \$4,800 (Revenue)

Funding Source: 2006-07 Operating Budget, Page 310, Property Maintenance, SP767

**ADDITIONAL INFORMATION:**

On September 25, 2006, by Roll Call No. 06-1878, the City Council approved the preliminary terms of an agreement with Neighborhood Development Corporation for the construction of a new hotel at East 30<sup>th</sup> Street and East Grand Avenue. As part of the preliminary terms, the City agreed that upon any sale of vacated right-of-way needed for the project, the City would sell the land for one-half the fair market value, with the balance to be treated as an Economic Development Grant to the project.

On October 23, 2006, by Roll Call No. 06-2087, the City Council adopted a recommendation from the City Plan and Zoning Commission that a portion of the East/West alley extending West from East 30<sup>th</sup> Street, between East Grand and East Capitol Avenues, be vacated and sold, subject to the following conditions:

- 1) Reservation of an easement for all existing utilities now in place with the right-of-entry for servicing the same.
- 2) Provision of a public ingress/egress easement through the applicant's site to either East Grand Avenue or Capitol Avenue from the eastern end of the remaining alley in the block.

On November 6, 2006, by Roll Call No. 06-2175, the City Council adopted a recommendation from the City Plan and Zoning Commission that the North 25 feet of a segment of Capitol Avenue extending West from East 30<sup>th</sup> Street be vacated and sold, subject to reservation of an easement for all existing utilities now in place with the right-of-entry for servicing same.

Neighborhood Development Corporation desires to purchase the alley right-of-way to assemble it to the adjoining properties for redevelopment with a 69-room hotel. The street right-of-way is needed to provide additional parking. The property to be conveyed consists of approximately 8,519 square feet. The alley right-of-way is approximately 3,519 square feet, and the street right-of-way is approximately 5,000 square feet.

Neighborhood Development Corporation has submitted an offer to purchase the above referenced property for \$4,800, which is equal to one-half the estimated Fair Market Value. If the hotel construction is not completed by December 31, 2008, the Buyer will pay the City the balance of the fair market value in the amount of \$4,800.

#### **PREVIOUS COUNCIL ACTION(S):**

Date: November 20, 2006

Roll Call Number: 06-2294

Action: [On](#) vacation and conveyance of a portion of the east/west alley extending west from East 30<sup>th</sup> Street between East Grand and East Capitol Avenues, and the north 25 feet of a segment of Capitol Avenue extending west from East 30<sup>th</sup> Street, to Neighborhood Development Corporation, \$4,800, (12-04-06). Moved by Coleman to adopt. Motion Carried 6-0.

Date: November 6, 2006

Roll Call Number: 06-2175

Action: [Regarding](#) request from Neighborhood Development Corporation, owner of 408 E. 30<sup>th</sup> Street, for vacation and conveyance of the entire adjoining portion of E. Capitol Avenue extending 200 feet west from E. 30<sup>th</sup> Street, (Plan and Zoning Commission recommends DENIAL); and recommendation of APPROVAL for vacation of *only* the northern 25 feet of Capitol Avenue right-of-way adjoining the site, subject to conditions. Moved by Vlassis to receive and file, and to refer to the City Manager for further processing in accordance with standard City property disposition procedures. Motion Carried 6-0.

Date: October 23, 2006

Roll Call Number: 06-2087

Action: [Regarding](#) request from Neighborhood Development Corporation, owner of 408 E. 30<sup>th</sup> Street, for vacation and conveyance of the east 200 feet of the adjoining east/west alley extending west from E. 30<sup>th</sup> Street between E. Grand Avenue and E. Capitol Avenue, subject to conditions. Moved by Hensley to receive and file, and to refer to the City Manager for further processing in accordance with standard City property disposition procedures. Motion Carried 6-0.

Date: September 25, 2006

Roll Call Number: 06-1878

Action: [Approving](#) preliminary terms of agreement with Neighborhood Development Corporation for use of up to \$300,000 of ACCENT Urban Renewal Area tax increment funds for redevelopment of a site at E. 30<sup>th</sup> Street and E. Grand Avenue. ([Council Communication No. 06-601](#)) Moved by Vlassis to receive, file and approve the preliminary terms of agreement set forth in Council Communication No. 06-601, and to direct the City Manager to proceed with negotiations of a formal agreement with Neighborhood Development Corporation consistent with those terms. Motion Carried 6-0.

**BOARD/COMMISSION ACTION(S):**

Date: October 5, 2006

Roll Call Number: City Plan & Zoning Commission

Action: Approved request for vacation and conveyance of a portion of the East/West alley extending West from East 30<sup>th</sup> Street, between East Grand and East Capitol Avenues, subject to reservation of easements for all utilities in place, and provision of a public ingress/egress easement through the applicant's site to either East Grand Avenue or Capitol Avenue from the eastern end of the remaining alley in the block.

Date: October 19, 2006

Roll Call Number: City Plan & Zoning Commission

Action: Approved request for vacation and conveyance of the North 25 feet of a segment of Capitol Avenue extending West from East 30<sup>th</sup> Street, subject to reservation of easements for all utilities in place.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**