



Council Communication

Office of the City Manager

Date April 23, 2007

Agenda Item No. 14
Roll Call No. 07-
Communication No. 07-226
Submitted by: Jeb E. Brewer, P.E., City
Engineer, and Larry Hulse, Community
Development Director

AGENDA HEADING:

Resolution establishing Fair Market Value and authorizing acquisition of various properties for the Forest Avenue Urban Renewal Project by Gift, Negotiation, or Condemnation.

SYNOPSIS:

Approval of Fair Market Values and authorization to acquire property interests. This action establishes fair market value and authorizes acquisition of various properties for the Forest Avenue Urban Renewal 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: \$448,000 estimated acquisition, relocation, demolition, and incidental costs.

Funding Source: 2007-08 Operating Budget: Community Development Department – Special Revenue Funds – Forest Avenue Redevelopment SP020, CDBG2004033, Page 312.

ADDITIONAL INFORMATION:

The following properties were identified for acquisition as part of the Forest Avenue Urban Renewal Project, as amended on September 11, 2006 by Roll Call Number 06-1810. There have been allocations of Community Development Block Grant (CDBG) dollars for the acquisition, relocation, demolition, environmental cleanup, and redevelopment of property in the 2200 Block of Forest Avenue. City Council allocated \$300,000 of CDBG funds in 2004, \$150,000 of CDBG funds in 2005, and an additional \$150,000 of CDBG funds in 2007, resulting in a total of \$600,000 in CDBG funding allocated to this project to date.

- 1408 22nd Street was appraised at \$51,000 and is owned and occupied by Edward Bodensteiner.
- 1420 22nd Street was appraised at \$29,000 and is occupied by Douglas L. Herselius who is purchasing the property by contract. Heartland Auto Sales, Inc., Carol Johnson, President, 1408 SW Lewis Street, Des Moines, Iowa 50315, is the contract seller.
- 2201 Forest Avenue is the vacant former gas station property and was appraised at \$55,000. This property is owned by SBS Inc., Robyn Stokstad, President, 3401 Skyline Dr., Des Moines, IA 50310, and is currently used for storage of personal property by the owner.

The fair market values listed above are based on independent appraisals, and the appraisals have been reviewed by the City of Des Moines' Real Estate Division Appraiser.

PREVIOUS COUNCIL ACTION(S):

Date: February 12, 2007

Roll Call Number: 07-222

Action: [Approving](#) Acquisition Plan for the Forest Avenue Urban Renewal Project, 2200 Block of Forest Avenue. ([Council Communication No. 07-080](#)) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: September 11, 2006

Roll Call Number: 06-1810

Action: [On](#) Proposed Amended Forest Avenue Urban Renewal Plan. ([Council Communication No. 06-580](#)). Moved by Vlassis to adopt. Motion Carried 6-0.

Date: October 24, 2005

Roll Call Number: 05-2583

Action: Resolution of Necessity finding the Urban Renewal Area to be a blighted area. Moved by Vlassis to adopt. Motion Carried 6-1. Nays: Brooks.

Date: October 24, 2005

Roll Call Number: 05-2584

Action: Resolution closing hearing and approving the proposed Urban Renewal Plan. ([Council Communication No. 05-601](#)) Moved by Vlassis to adopt. Motion Carried 6-1. Nays: Brooks.

BOARD/COMMISSION ACTION(S):

Date: September 5, 2006

Board/ Commission: Urban Design Review Board

Action: Recommended approval of the proposed Amended Forest Avenue Urban Renewal Plan

Date: September 7, 2006

Board/ Commission: Plan and Zoning Commission

Action: Found the proposed Amended Forest Avenue Urban Renewal Plan in conformance with the *Des Moines' 2020 Community Character Plan*

Date: October 6, 2005

Board/ Commission: Plan and Zoning Commission

Action: Found the proposed Forest Avenue Urban Renewal Plan in conformance with the *Des Moines' 2020 Community Character Plan*

Date: September 20, 2005

Board/ Commission: Urban Design Review Board

Action: Recommended approval of the proposed Forest Avenue Urban Renewal Plan

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Authorization to acquire and approval of fair market values for additional properties as identified in the Forest Avenue Urban Renewal Plan, as amended.