



Council Communication

Office of the City Manager

Date November 10, 2008

Agenda Item No. 52
Roll Call No. ~~08-~~
Communication No. ~~08-672~~
Submitted by: **Jeb E. Brewer, P.E.**
City Engineer

AGENDA HEADING:

Hold hearing for vacation and conveyance of a portion of the East/West alley between Ingersoll Avenue and High Street, from 17th Street to a point approximately 175 feet east of 19th Street, to 1717 Ingersoll, LLC, PW Waterbury, LC, and OPOMODO, LLC for \$1 and also to James Marcovis for \$1.

SYNOPSIS:

Recommend approval for vacation and conveyance of a portion of this alley to the joint owners of 1717 Ingersoll Avenue being: 1717 Ingersoll, LLC, Michael W. Simonson, President, 2420 128th Street, Urbandale, Iowa, 50320; PW Waterbury, LC, Timothy C. Hogan, Agent, 3101 Ingersoll Avenue, Des Moines, Iowa, 50312; and OPOMODO, LLC, Sharon L. Crawford, Agent, 214 East 4th Street, Waterloo, Iowa, 50703, for \$1 and other valuable consideration. Another portion of the alley will be vacated and conveyed to James Marcovis, d/b/a G & L Clothing, 1801 Ingersoll Avenue, Des Moines, Iowa 50309 for \$1, and other valuable consideration. 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: \$2 – Plus Other Valuable Consideration (Revenue)

Funding Source: Sale proceeds will be deposited into the Property Maintenance Endowment Fund, SP767, ENG980500. The first \$175,000 of annual proceeds to the Property Maintenance Endowment Fund will be returned to the General Fund (GE001, ENG040700) to offset the operating budget of the Engineering – Real Estate division.

ADDITIONAL INFORMATION:

On October 13, 2008, by Roll Call No. 08-1748, the City Council adopted a recommendation from the City Plan and Zoning Commission that the East/West alley between Ingersoll Avenue and High Street from a point approximately 175 feet east of 19th Street be vacated and sold subject to an easement for the continued use and maintenance of any utilities now in place, and reservation of a public ingress/egress easement from the east end of the remaining segment of alley, through the drive aisle on G & L Clothing's property at 1801 Ingersoll Avenue, to allow access out to Ingersoll Avenue.

1717 Ingersoll, LLC; PW Waterbury, LC; and OPOMODO, LLC are the joint owners of 1717 Ingersoll Avenue. On June 9, 2008, by Roll Call No. 08-1002, the City Council approved a development agreement with 1717 Ingersoll, LLC for redevelopment of property. The existing building will be

renovated into professional office space and a restaurant. This commercial property is divided by the above described alley right-of-way, and they plan to incorporate the alley with their property to create a single parcel. The portion of the alley they are purchasing from 17th Street to the west 295.2 feet abutting 1717 Ingersoll Avenue consists of approximately 4,723 square feet, and its future use is limited due to an existing water main and above-ground electrical utility lines that are located within the alley right-of-way. The estimated restricted use fair market value of this portion of the alley is \$28,338. The buyers have offered to purchase the alley for \$1, in exchange for construction of the continuation of the Ingersoll Streetscape elements at their cost to provide enhanced public pedestrian access to the neighborhood. The estimated cost for constructing the streetscape elements is over \$100,000. The buyer will also be required to convey along Ingersoll, an 869 square-foot pedestrian easement, which has an estimated fair market value of \$15,642, to the City as part of the streetscape,.

The west end of the subject alley, consisting of approximately 175 feet, will not be vacated and will remain active alley right-of-way. James Marcovis, owner of G & L Clothing at 1801 Ingersoll Avenue, has requested to purchase the center 150 feet of this alley that abuts 1801 Ingersoll Avenue which consists of approximately 2,528 square feet for \$1, and has also agreed to convey to the City a public ingress/egress easement across the driveway/parking lot west of the building to allow continued public access from the alley at 19th Street to Ingersoll Avenue. These property interests being exchanged are considered to be equal in value.

PREVIOUS COUNCIL ACTION(S):

Date: October 27, 2008

Roll Call Number: 08-1844

Action: On vacation and conveyance of east/west alley between Ingersoll Avenue and High Street from 17th Street to a point approximately 175 feet east of 19th Street to 1717 Ingersoll, LLC, PW Waterbury, LC and OPOMODO, LLC, (11-10-08). Moved by Vlassis to adopt. Motion Carried 7-0.

Date: October 13, 2008

Roll Call Number: 08-1748

Action: Regarding request from 1717 Ingersoll, LLC, PW Waterbury, LC, and OPOMODO, LLC for vacation and conveyance of the east/west alley between Ingersoll Avenue and High Street from 17th Street to a point approximately 175 feet east of 19th Street. Moved by Coleman to receive, file and forward recommendation to the Engineering Department, Real Estate Division. Motion Carried 7-0.

Date: June 9, 2008

Roll Call Number: 08-1002

Action: Regarding preliminary terms of urban renewal development agreement with 1717 Ingersoll, LLC for redevelopment of former Stivers Dealership at 1717 Ingersoll Avenue for commercial office and restaurant uses. (Council Communication No. 08-358) Moved by Hensley to receive and file, and to direct the City Manager to proceed with negotiations toward a final agreement for further consideration by the City Council. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: October 2, 2008

Roll Call Number: City Plan and Zoning Commission

Action: Approval for request from 1717 Ingersoll, LLC, PW Waterbury, LC, and OPOMODO, LLC, owners of 1717 Ingersoll Avenue, for vacation and conveyance of the East/West alley between Ingersoll Avenue and High Street from 17th Street to a point approximately 175 feet east of 19th Street, subject to reservation of easements for all public utilities in place, and reservation of a public ingress/egress easement from the east end of the remaining segment of alley, through the drive aisle on 1801 Ingersoll Avenue and onto Ingersoll Avenue.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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