



Council Communication

Office of the City Manager

Date

February 23, 2009

Agenda Item No. 35A
Roll Call No. 09-
Communication No. 09-111
Submitted by: Jeb E. Brewer, P.E.,
City Engineer

AGENDA HEADING:

Acceptance of real estate documents for property located at 5261 McKinley Avenue from George N. Van Patten for the Airport Runway 13R/31L Project.

SYNOPSIS:

Recommend approval and acceptance of real estate documents for acquisition of property at 5261 McKinley Avenue for \$375,000. This action is required to authorize closing of the necessary property interests required from George N. Van Patten, 5261 McKinley Avenue, Des Moines, Iowa, 50321, for the Airport Runway 13R/31L Project.

FISCAL IMPACT:

Amount: \$375,000 plus closing and relocation costs.

Funding Source: 2008-09 CIP, Airport Improvements – Page 28, Runway 13R/31L – Land Acquisition, AIR117. (This project will be funded using Airport Improvement Program Grants that should fund 95% of the cost of the total project. The remaining 5% of the project must come from Airport funds.)

ADDITIONAL INFORMATION:

On July 6, 2005, by Resolution No. A05-153, the Des Moines International Airport Board established fair market value and authorized acquisition of the residential property located at 5261 McKinley Avenue. This property is owned by George N. Van Patten, and acquisition of this property is required for the Airport Runway 13R/31L Project. Fair market value of the property was determined by an independent appraiser to be \$325,000, and the appraisal was also reviewed by an independent appraiser.

The range of residential values identified in the appraisal is extremely broad, with sale price indications from \$80.60 to \$182.19 per square foot before adjustments. The review appraiser noted that the subject site is an unusually large dwelling among predominately smaller properties, which presents an extremely complex valuation problem for appraisers. Given this complex valuation problem, the City's Real Estate Division of the Engineering Department has negotiated a settlement with the property owner for \$375,000, which represents a value of \$90.75 per square foot. This settlement falls well within a reasonable range of the approved appraisal, and without this settlement the City would need to proceed with condemnation to acquire the property.

PREVIOUS COUNCIL ACTION(S):

Date: March 7, 2005

Roll Call Number: 05-541

Action: Authorization to proceed with acquisition of the necessary right-of-way for the Airport Runway 13R/31L Project, (Estimated \$16,000,000). (Council Communication No. 05-112) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: July 6, 2005 Airport Board Meeting

Resolution Number: A05-153

Action: Establish fair market value of property located at 5261 McKinley Avenue for the Airport Runway 13R/31L Project.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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