



Council Communication

Office of the City Manager

Date

August 10, 2009

Agenda Item No. 24
Roll Call No. 09-
Communication No. 09-564
Submitted by: **Jeb E. Brewer, P.E., City Engineer, and John TeKippe, Fire Chief**

AGENDA HEADING:

Approving property acquisition settlement and payment of condemnation award to Andrew J. and Ruth Anne Holt for property located at 2715 Dean Avenue for the Fire Department Logistics and Training Facility.

SYNOPSIS:

Recommend approval of acquisition settlement and condemnation award to Andrew J. and Ruth Anne Holt, 2659 Boyd Street, Des Moines, Iowa, 50317-6013, for the Fire Department Logistics and Training Facility Project. The Des Moines Fire Department needs to replace its current maintenance shop located to the rear of Fire Station 1 at 900 Mulberry Street. Both the shop and the fire station, which also currently serves as the Administration offices, were built in 1933, and have far outlived their useful life, and no longer adequately accommodate fire department requirements. The Fire Department also does not have a training facility and the Department plans to capitalize on the efficiencies and synergies created by the collocation of these critical functions at this location.

FISCAL IMPACT:

Amount: \$412,500 (plus condemnation costs)

Funding Source: 2008-09 CIP, Page Fire Protection Improvements - 8, FIR038, Maintenance/Logistics & Training Campus, G.O. Bonds

ADDITIONAL INFORMATION:

On September 22, 2008, by Roll Call 08-1649, the City Council of the City of Des Moines authorized acquisition, by gift, negotiation, or condemnation, of property located at 2715 Dean Avenue and owned by Andrew J. and Ruth A. Holt for the Fire Department Logistics and Training Facility Project. On February 23, 2009, by Roll Call 09-347, the City Council approved the appraised fair market value for the property of \$313,000. This value was later updated due to property improvements and the value was increased by the City's independent appraiser, Carlson, Gunderson and Associates, to \$330,000.00 in preparation for condemnation of the property.

Prior to the condemnation proceedings, the property was listed for sale at \$595,000 based on a commercial broker's opinion of value. As part of the negotiation process, the property owners had their own independent appraisal prepared, and it determined the fair market value of the property to be \$480,000. The Engineering Department's Real Estate Division negotiated an acquisition settlement with the property owners for \$412,500, which amount was established and awarded as just compensation in

condemnation proceedings on July 22, 2009. This amount falls in a range midway between the two appraisals and there are no relocation assistance costs for the City.

PREVIOUS COUNCIL ACTION(S):

Date: February 23, 2009

Roll Call Number: 09-347

Action: Establishing Fair Market Value of property located at 2715 Dean Avenue for Fire Department Logistics and Training Facility Project. (Council Communication No. 09-099) Moved by Meyer to adopt. Motion carried 7-0.

Date: September 22, 2008

Roll Call Number: 08-1649

Action: Authorization to proceed with acquisition of property at 2715 Dean Avenue for the Fire Department Logistics and Training Facility Project. (Council Communication No. 08-575) Moved by Mahaffey to adopt; refer to the City Manager to review collaboration efforts. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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