

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	September 28, 2009
	Agenda Item No. 55A Roll Call No. <u>09-</u> Communication No. <u>09-687</u> Submitted by: Jeb E. Brewer, P.E., City Engineer	

AGENDA HEADING:

Continue hearing for vacation and conveyance of the North/South alley adjoining 101 S.W. 5th Street to Rumely Lofts Limited Partnership for \$13,959.

SYNOPSIS:

Recommend continuance of hearing for the vacation and conveyance of such property to Rumely Lofts Limited Partnership, George E. Sherman, Officer, 233 Park Avenue South, Suite 201, Minneapolis, Minnesota, 55415, for \$13,959. Rumely Lofts Limited Partnership has requested continuation of the hearing for vacation and conveyance of this alley to October 26, 2009. 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 need for this property.

FISCAL IMPACT:

Amount: \$13,959 (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 September 14, 2009, by Roll Call No. 09-1637, the City Council adopted a recommendation from the City Plan and Zoning Commission that the North/South alley adjoining 101 S.W. 5th Street be vacated and sold subject to the following conditions:

- 1) Conveyance shall be subject to the execution of the applicant’s purchase agreements for 104 S.W. 4th Street and 101 S.W. 5th Street, and to the alley being developed in conjunction with the conversion of the Rumely Building, 104 S.W. 4th Street, into multiple-family dwelling units.
- 2) The brick paver alley shall be repaired and incorporated into the redevelopment of the adjoining parcels unless the Community Development Director determines that it is not practical. The brick pavers shall be salvaged in accordance with the City’s Brick Salvage Policy as approved by the City Council on October 7, 2002, by Roll Call No. 02-2471 if the pavers are removed.
- 3) Reservation of easements for any existing utilities as necessary.

Rumely Lofts Limited Partnership has submitted an offer to purchase the above referenced property for \$13,959, which is equal to the estimated restricted fair market value. The size of this parcel is approximately 1,551 square feet. The property is being sold subject to a no-build restriction, along with the conditions listed above. The buyer will be required to pay an additional \$13,959 in the future to have the no-build restriction released.

The purchase of this property will allow the buyer to assemble the vacated alley right-of-way with the commercial properties they are purchasing at 104 S.W. 4th Street and 101 S.W. 5th Street for development of a parking lot to serve the Rumely Building which they plan to redevelop with residential dwelling units. The conveyance of the alley will not take place until Rumely Lofts Limited Partnership closes on the purchase and can demonstrate ownership of the abutting property. Furthermore, if the project is not completed, then the alley will remain in City ownership.

PREVIOUS COUNCIL ACTION(S):

Date: September 14, 2009

Roll Call Number: 09-1637

Action: City Plan and Zoning Commission recommendation. Moved by Vlassis to receive, file and refer to the Engineering Department, Real Estate Division. Motion Carried 7-0.

Date: September 14, 2009

Roll Call Number: 09-1635

Action: Vacation and conveyance of the north/south alley adjoining 101 SW 5th Street to Rumely Lofts Limited Partnership for \$13,959, (9-28-09). Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Date: August 20, 2009

Roll Call Number: City Plan and Zoning Commission

Action: Approval of request from Rumely Lofts Limited Partnership for vacation of the North/South alley between S.W. 4th Street and S.W. 5th Street between Vine Street and Market Street, subject to conditions.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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