



Council Communication

Office of the City Manager

Date

September 28, 2009

Agenda Item No. 17
Roll Call No. 09-
Communication No. 09-690
Submitted by: **Jeb E. Brewer, P.E.,**
City Engineer

AGENDA HEADING:

Authorize deposit of compensation commission award to General Manufacturing Company and the Wittern Partnership for property located at 5725 Southwest 56th Street and 5041 Army Post Road for the Airport Runway 13R-31L Project.

SYNOPSIS:

Recommend authorization for deposit of compensation commission award to General Manufacturing Company and the Wittern Partnership, Misty Wittern, Secretary, 8040 University Avenue, Clive, Iowa, 50325, for acquisition of property at 5725 Southwest 56th Street and 5041 Army Post Road for the Airport Runway 13R-31L Project. This action is required by state law before the City can obtain possession of the property.

FISCAL IMPACT:

Amount: \$2,134,370 (plus condemnation costs)

Funding Source: 2009-10 CIP, Airport Improvements, Runway 13R/31L – Land Acquisition, AIR117, Page 26. (The 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 October 7, 2008, by Resolution No. A08-197, the Airport Board of the City of Des Moines established fair market value and authorized acquisition, by gift, negotiation, or condemnation, of property located at 5725 Southwest 56th Street and 5041 Army Post Road and owned by General Manufacturing Company and the Wittern Partnership for the Airport Runway 13R-31L Project. Based on an independent appraisal, the established fair market value of the property was \$1,830,000.

The City's Real Estate Division made good faith efforts but was unable to negotiate a purchase with the property owners, and condemnation proceedings were subsequently held on September 14, 2009. The Polk County Compensation Commissioners award of just compensation to the property owners was \$2,134,370. The compensation commission award is considered to be within a reasonable range of the City's appraised value for the property. Approval of the compensation award is needed at this time in order for the City to obtain possession of the property for construction of the project. However, the property owners have until October 14, 2009, to appeal the compensation commission award to district court, and if an appeal is filed, then the final acquisition cost for this property may not be determined for several more months. Any change in compensation that might be awarded through further court action

on this matter will be submitted to the City Council for approval. The cost of acquiring this property will be funded using Airport Improvement Program Grants that should fund 95% of the cost and the remaining 5% of the cost will come from Airport funds.

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 (Total Estimated Cost \$16,000,000). (Council Communication No. 05-112). Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): AIRPORT BOARD

Date: October 7, 2008

Roll Call Number: A08-197

Action: Resolution establishing fair market value and authorizing acquisition of property located at the Southeast corner of Southwest 56th Street and Southwest McKinley Avenue from General Manufacturing Company and The Wittern Partnership pursuant to the Runway 13R/31L Project by gift, negotiation, or eminent domain.

Date: March 1, 2005

Roll Call Number: A05-42

Action: Recommendation to City Council to proceed with acquisition of the remaining properties needed for the future Runway 13R/31L by gift, negotiation, or eminent domain.

Date: June 1, 2004

Roll Call Number: A04-103

Action: Approved Acquisition Program to include properties on a voluntary basis for the properties needed for the Runway 13R/31L Project.

Date: January 6, 2004

Roll Call Number: A04-16

Action: Approved Voluntary Acquisition Program on a hardship basis for the properties needed for the Runway 13R/31L Project.

Date: December 2, 2003

Roll Call Number: A03-285

Action: Approved and authorized the design of a public improvement project to construct Runway 13R/31L and authorized the City Manager to proceed with the acquisition of properties needed for the project.

Date: September 3, 2003

Roll Call Number: A03-226

Action: Authorized development of a voluntary acquisition program on a hardship basis for properties needed for the future construction of the initial project phase of the 13R/31L Runway Project.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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