



Council Communication

Office of the City Manager

Date	April 12, 2010
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Agenda Item No.	55
Roll Call No.	<u>10-</u>
Communication No.	<u>10-190</u>
Submitted by:	Jeb E. Brewer, P.E., City Engineer

AGENDA HEADING:

Hold Hearing for vacation and conveyance of State Avenue from Searle Street to East 23rd Street and Searle Street from State Avenue to Frederick M. Hubbell Avenue to Anderson Erickson Dairy Co. for \$30,786.

SYNOPSIS:

Recommend vacation and conveyance of such property to Anderson Erickson Dairy Co., Robert L. Mahaffey, Treasurer, 2420 East University Avenue, Des Moines, Iowa, 50317, for \$30,786. 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, except for retention of various easements as outlined below. The purchase of this property will allow the buyer to assemble the vacated street right-of-way with their adjoining commercial property to expand their parking and delivery area.

FISCAL IMPACT:

Amount: \$30,786 (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 February 8, 2010, by Roll Call No. 10-182, the City Council adopted a recommendation from the City Plan and Zoning Commission that State Avenue from Searle Street to East 23rd Street and Searle Street from State Avenue to Frederick M. Hubbell Avenue be vacated and sold subject to the following conditions:

- 1) Provision of easements for all existing utilities until such time they are relocated at applicant's expense.
- 2) Reservation of a public access easement for either a turnaround or egress for the North/South alley for the portion of State Avenue right-of-way.

The size of the property to be conveyed is approximately 27,750 square feet. The property is being sold subject to a no-build restriction, along with the easement conditions listed above. Anderson Erickson Dairy Co. has submitted an offer to purchase the above referenced property for \$30,786, which is equal

to the estimated restricted-use fair market value. The buyer will be required to pay an additional \$35,522 to have the no-build restriction released, in order to allow for construction of structures on the property. The purchase of this property will allow the buyer to assemble the vacated street right-of-way with their adjoining commercial property to expand their parking and delivery area.

PREVIOUS COUNCIL ACTION(S):

Date: March 22, 2010

Roll Call Number: 10-428

Action: On vacation and conveyance of State Avenue from Searle to E. 23rd Street and Searle Street from State to Hubbell Avenue, to Anderson Erickson Dairy Co. for expansion of and incorporation into their existing site, \$30,785, (4-12-10). Moved by Hensley to adopt. Motion Carried 6-0. Council Member Mahaffey declares a conflict of interest and abstains from voting.

Date: February 8, 2010

Roll Call Number: 10-182

Action: Regarding request from Anderson Erickson Dairy Company to vacate State Avenue from Searle Street to E. 23rd Street and Searle Street from State Avenue to Frederick M. Hubbell Avenue, subject to conditions. Moved by Hensley to receive and file and refer to the Engineering Department, Real Estate Division. Motion Carried 6-0. Council Member Mahaffey declares a conflict of interest and abstains from voting.

BOARD/COMMISSION ACTION(S):

Date: January 21, 2010

Roll Call Number: N/A

Action: The Plan and Zoning Commission recommended approval of request from Anderson Erickson Dairy Co. to vacate State Avenue from Searle Street to East 23rd Street and Searle Street from State Avenue to Frederick M. Hubbell Avenue subject to conditions.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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