 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: January 14, 2013
	Agenda Item No. 50 Roll Call No. <u>13-6900</u> Communication No. <u>13-011</u> Submitted by: Jeb E. Brewer, P.E., City Engineer

AGENDA HEADING:

Hold hearing for vacation, conveyance, and lease of a portion of East Gratis Avenue and a portion of S.E. 14th Street right-of-way to Katning, L.L.C. for \$2,580 (Fee) and \$1,245 (Lease).

SYNOPSIS:

Recommend approval for vacation, conveyance, and lease of a portion of East Gratis Avenue and a portion of S.E. 14th Street right-of-way to Katning, L.L.C., Timothy Neugent, Owner, 3830 SW 30th Street, Des Moines, Iowa 50321, for \$2,580 (Fee) and \$1,245 (Lease). 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 reservation of a utility easement and City’s termination rights under the lease for future widening of S.E. 14th Street. The conveyance and lease of this property will return it to the tax rolls and will help reduce the City’s cost of ownership of excess land.

FISCAL IMPACT:

Amount: \$3,825 (Revenue)

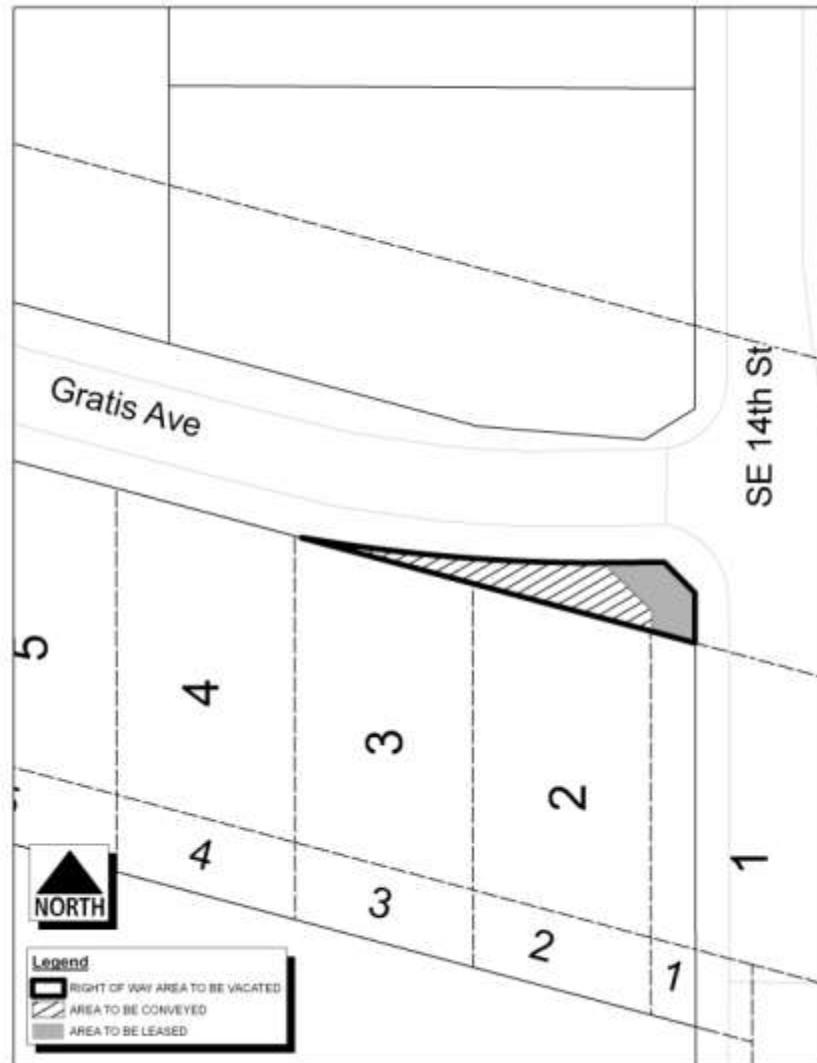
Funding Source: Sale proceeds will be deposited into the Property Maintenance Endowment Fund, SP767, ENG980500. The first \$175,000 of annual proceeds to the Property Maintenance Endowment Fund will be returned to the General Fund (GE001, ENG040700) to offset the operating budget of the Engineering – Real Estate Division.

ADDITIONAL INFORMATION:

On November 19, 2012, by Roll Call No. 12-1762, the City Council received a recommendation from the Plan and Zoning Commission that a portion of East Gratis Avenue and a portion of S.E. 14th Street right-of-way be vacated, subject to reservation of easements for all public utilities in place.

Katning, L.L.C. is the owner of the real property locally known as 2102 S.E. 14th Street that abuts such right-of-way, and has offered to the City of Des Moines the purchase price of \$2,580 for the vacation and purchase of a portion of said right-of-way as legally described below, and the rental price of \$1,245 for vacation and lease of a portion of said right-of-way, for the purpose of resolving an existing parking lot encroachment and in compliance with the Plan and Zoning Commission recommendations, which purchase price and lease amount reflect the fair market value and fair market rent, respectively, of the property interests as currently estimated by the City’s Real Estate Division.

The City will maintain the right to terminate the lease for future widening of S.E. 14th Street, if necessary.



PREVIOUS COUNCIL ACTION(S):

Date: December 17, 2012

Roll Call Number: [12-1932](#)

Action: [On](#) vacation, conveyance and lease of a portion of E. Gratis Avenue and S.E. 14th Street right-of-way to Katning, L.L.C., \$2,580 and \$1,245 lease, (1-14-13). Moved by Hensley to adopt. Motion Carried 7-0

Date: November 19, 2012

Roll Call Number: [12-1762](#)

Action: [Regarding](#) request from Katning, L.L.C. for vacation of an irregular segment of right-of-way, south of Gratis Avenue, extending from S.E. 14th Street to a point approximately 115 feet to the west

to allow for an ongoing encroachment of a vehicle display lot, subject to conditions. Moved by Hensley to receive and file and refer to the Engineering Department, Real Estate Division. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Plan and Zoning Commission

Date: November 1, 2012

Resolution Number: 11-2012-1.19

Action: Request from Katning L.L.C. (owner) 2102 S.E. 14th Street, represented by Timothy Neugent (officer) for vacation of the following public street segments to allow for an ongoing encroachment of a vehicle display lot that occurred circa 2001.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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