

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	December 23, 2013
	Agenda Item No.	54
	Roll Call No.	[_____]
	Communication No.	<u>13-623</u>
	Submitted by:	Phillip Delafield, Community Development Director

AGENDA HEADING:

Authorizing City staff to initiate actions relating to 1422 Scott Avenue.

SYNOPSIS:

Request for Council to authorize staff to prepare an amendment to the SE Agribusiness Urban Renewal Plan, and to take other necessary preliminary actions, including environmental testing of the site and materials, to determine the feasibility of acquisition, building demolition, and debris cleanup of the fire damaged warehouse at 1422 Scott Avenue, and to negotiate an agreement with the Iowa Department of Natural Resources (IDNR) for funding participation.

FISCAL IMPACT:

Amount: \$550,000.00

Funding Source: \$300,000 from Iowa DNR and \$250,000 SE Ag TIF to be recouped from future sale of property.

ADDITIONAL INFORMATION:

The abandoned warehouse structure at 1422 Scott Avenue was severely damaged by a fire that started on August 29, 2013 and burned for three (3) days. The fire caused the collapse of portions of the roof, and portions of the building's exterior cladding were removed to allow firefighting operations. The estimated cost for environmental testing and the removal of the building and contents is approximately \$550,000, due to the extensive structural damage to the building and the existence of approximately 6,700 cubic yards of construction debris that was stored inside the building. Costs of property acquisition will be determined after acquisition is authorized.

The condition of the building and grounds constitute an ongoing nuisance and a threat to the health, safety, and welfare of the community. The IDNR has requested the City's assistance in demolishing the structure and removing the debris as its efforts to have the responsible parties undertake the site cleanup have not been successful. The responsible parties have taken bankruptcy and have no known assets that could be levied upon to collect a judgment.

The City staff has conducted extensive research and investigation to determine the most effective and cost efficient way to remedy this nuisance and have determined that if the nuisance is to be abated

without substantial additional delay, the City must acquire the property, subject to results of environmental testing, and abate the nuisance.

The City Manager recommends that to quickly abate the nuisance conditions existing on the property with the least risk to the community, the City should acquire the property and solicit bids for the demolition and cleanup.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Future resolutions:

- Scheduling public hearing on amendment to SE Agribusiness Urban Renewal Plan that would result in ability to authorize acquisition and cleanup and authority to condemn;
- Approving a funding agreement with Iowa DNR for its financial assistance for the cleanup of the site; and
- Ordering demolition of the structure and removal of the debris.

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