



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: August 22, 2005
Agenda Item Type: Resolution

Communication No.: 05-471
Roll Call No.:

Submitted by: Don Tripp, Park & Recreation Director
Jeb E. Brewer, City Engineer

SUBJECT—

Set hearing for the vacation and conveyance of the North/South alley lying east of and adjoining Lot 18, Drake University 3rd Addition.

SYNOPSIS—

This action would set the date of a public hearing to adopt an ordinance to vacate public right-of-way and approve the conveyance of the above referenced property to 2300 University Ave, LLC, John Gamble, Secretary, 6600 Westtown Parkway, Suite 220 West Des Moines, IA 50266.

FISCAL IMPACT—

This sale is expected to yield \$3,000.00. The proceeds from the sale of this property will be deposited in account CMO100000 to offset anticipated financial assistance to the 2300 University, LLC project.

RECOMMENDATION—

Approval

BACKGROUND—

On September 2, 2004, the Plan and Zoning Commission approved a request from 2300 University Ave., LLC to vacate and convey the East/West alley lying south of and adjoining Lots 1 thru 17, and the North/South alley lying east of and adjoining Lot 18, all in Drake University 3rd Addition.

On September 13, 2004, by Roll Call No. 04-1899, the City Council adopted a recommendation from the City Plan and Zoning Commission that the above described property be vacated and sold to 2300 University Ave., LLC, subject to the following conditions:

- a) Provision of easements for all necessary utilities.
- b) Provision of a public access easement from the North/South alley to 24th Street.

2300 University Ave., LLC is redeveloping the existing commercial buildings on University Avenue to incorporate eleven second-floor condominium units. Preliminary terms for an agreement including a \$200,000 upfront economic development grant and a \$100,000 economic development loan were approved by the City Council to support this project on October 11, 2004 by roll call 04-2150.

On July 25, 2005, by Roll Call No. 05-1824, the City Council adopted a recommendation from the City Plan and Zoning Commission to vacate and convey the East/West alley lying south of and adjoining Lots 1 thru 17 to 2300 University Ave., LLC for \$20,000.00. In addition to the East/West alley, the North/South alley lying east of and adjoining Lot 18 is also needed to complete the East/West driveway circulation for the project.

2300 University Ave., LLC has submitted an offer to purchase in the amount of \$3,000.00 for the sale of the above referenced property, which is equal to the estimated Fair Market Value.

Previously on August 22, 2005, the City Council approved the vacation and conveyance of the East/West alley between 23rd and 24th Streets to 2300 University, LLC. In the materials prepared for Council in advance of the action, it was represented that the \$20,000 proceeds from the sale would be deposited in the property maintenance endowment fund. At the meeting, though, the Acting City Manager stated that these funds would be applied to offset the economic development assistance to this project. With this action, both the \$20,000 in previous proceeds from the sale of the East/West alley and the current \$3,000 proceeds for the North/South alley will be applied to offset the financial assistance to the 2300 University Ave, LLC project.