

COUNCIL ACTION FORM

**SUBJECT: SOUTH GRAND AVENUE EXTENSION PROJECT - LAND
ACQUISITION OF DOUBLE DRS, LC PROPERTY AT 299 SOUTH 5TH
STREET (S. 5th & Walnut)**

BACKGROUND:

The City of Ames is acquiring the entire Double DRS, LC property for the South Grand Avenue Extension Project. **For the phase associated with this property, South 5th Street will be partially relocated and extended westward to the new portion of South Grand Avenue Extension.** This parcel is the open field where the new proposed South 5th Street alignment passes through, adjacent to the existing South 5th Street and the Boys and Girls Club. This parcel will also be used for roadway borrow material and constructed into a stormwater wetland. This parcel is a total acquisition of the real estate, so no acquisition or easement plats were required for the transaction.

On August 8, 2017, an appraisal was completed on the property, owned by Double DRS, LC parcel 12 located at 299 South 5th Street, Ames, Iowa. The appraisal, performed by Commercial Appraisers of Iowa, Inc. (an appraiser retained by the City's land acquisition consultant, A & R Land Services) valued the property at \$293,000. The acquisition area is 15.40 acres.

The design of the project has been progressing since early 2017 when the design was kicked off after the "Finding of No Significant Impact" was received from the Federal Highway Administration in May 2017. Right-of-way acquisitions with numerous property owners and permitting through the Iowa Department of Natural Resources (DNR) and US Army Corps of Engineers (USACE) is underway.

A public meeting was held in late 2017 to inform the public of progress and gather feedback. The primary purpose of the public meeting was to assist property owners in understanding the need for the project, and to inform the public about the project. It also allowed those potentially affected property owners to ask questions and give feedback to the staff. In addition, staff has met with most of the property owners where permanent easements are needed and continue to reach out to other property owners. Staff will also continue to contact residents in areas where permanent easements will not be required, but where there will be construction related disruptions.

The project was originally broken into three phases to allow for potential flexibility in timing of construction and funding. The phases are 1) S. 5th St extension and the portion of S. Grand Ave from Squaw Creek Drive (the existing dead end) to S. 5th St, 2) S Grand Ave South of S. 5th Street (this portion includes two bridges to accommodate Squaw Creek under the roadway), and 3) reconstruction and widening additional turn

lanes at S. Duff Ave and S. 16th St. **The land being acquired through this action is for Phase 1 described above.**

UPDATES ON S. 5TH STREET EXTENSION PHASE:

Project Design. The design of this phase of the project is approximately 90% complete. The plans have been reviewed by the Iowa DOT and City Staff at both the “preliminary” and “check” plan stages. Currently the work remaining to complete is the design related to an extension of a shared use path along S. 5th St. to S. Duff Ave (next to Aldi), a potential school bus drop off near the Boys and Girls Club, and the modification of the storm sewer design along S. Grand Ave. to accommodate a widening of the roadway to four lanes, should it be warranted in the future. The current plan for bidding the project is to receive bids in late 2018/early 2019 and begin construction as soon as possible after that time.

Right-of-way Acquisition. The right-of-way acquisition of multiple parcels is underway, both permanent right-of-way and temporary easements are required. Several property owners have verbally agreed to accept offers based on appraisals conducted. The owners of three parcels within this section have indicated that they are not yet in agreement with the appraisals and, therefore, no settlements have been reached. These parcels include: 1) 428 Stonehave Dr. – This parcel is owned by Stone Court Apartments Cooperation Housing Association, 2) 450 S Grand Ave. – This parcel is owned by Kent and Joan Cooper, 3) 505 S. Duff Ave. – This parcel is owned by Nancy Bundy and is the property where the Aldi supermarket is located.

The Grand Avenue Extension is included in the Capital Improvements Plan (CIP) with funding identified since 2013/14 and continuing through 2018/19. Funding shown in the CIP for 2017/18 and 2018/19 includes \$7,700,000 in G.O. Bonds, \$4,300,000 in MPO/STP Funds, and \$3,450,00 in Federal/State Grant Funds. In general, construction is anticipated to commence in 2019.

ALTERNATIVES:

1. Adopt resolution approving Purchase Agreement for South Grand Avenue Extension project in the amount of \$293,000 with Double DRS, LC.
2. The City Council can reject the purchase agreement.

MANAGER’S RECOMMENDED ACTION:

Approval of this agreement with the Double DRS, LC must happen before moving forward with construction of this project in the 2019. Delay or rejection of this purchase agreement could require the redesign of the entire South Grand Avenue project.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.

PURCHASE AGREEMENT

PARCEL NO. 12 COUNTY Story
 PROJECT South Grand Avenue Extension CITY Ames, IA

SELLER: Double DRS, LC

THIS AGREEMENT made and entered into this 11th day of August, 2018, by and between Seller and the CITY OF AMES, IOWA, Buyer.

1. SELLER AGREES to sell and furnish to Buyer a conveyance document, on form(s) furnished by Buyer, and Buyer agrees to buy the following real estate, hereinafter referred to as the premises:

A tract of land described as beginning at the Southwest corner of Lot 20, Cayler's Second Addition to the City of Ames, Story County, Iowa, (which is described as being 641.0 feet West of the Center of Section 11, Township 83 North, Range 24 West of the 5th P.M., Story County, Iowa), thence North 88°55' West 682.4 feet, thence North 89°09' West 660.0 feet, thence North 0°19' West 668.1 feet, thence South 89°48' East 164.84 feet to the West line of Walnut Avenue, thence South 0°35'16" West 60.0 feet along the West line of Walnut Avenue extended, thence South 89°38'37" East 1180.65 feet, thence South 623.4 feet to the point of beginning, EXCEPT the East 225 feet thereof,

County of Story, State of Iowa, including the following buildings, improvements and other property:
All land, trees, shrubs, landscaping and surfacing attached to the premises sought and described herein.

2. Possession of the premises is the essence of this agreement and Buyer may enter and assume full use and enjoyment of the premises per the terms of this agreement. SELLER GRANTS Buyer the immediate right to enter the premises for the purpose of gathering survey and soil data. SELLER MAY surrender possession of the premises or building or improvement or any part thereof prior to the time at which he has hereinafter agreed to do so, and agrees to give Buyer ten (10) days notice of Seller's intention to do so by calling Buyer collect.

3. Buyer agrees to pay and SELLER AGREES to grant the right of possession, convey title and surrender physical possession of the premises as shown on or before the dates listed below.

<u>PAYMENT AMOUNT</u>	<u>AGREED PERFORMANCE</u>	<u>DATE OF PERFORMANCE</u>
\$ _____	on conveyance of title	_____
\$ _____	on surrender of possession	_____
\$ <u>293,000.00</u>	on possession and conveyance	<u>60 days after Buyer approval</u>
\$ <u>293,000.00</u>	TOTAL LUMP SUM	

<u>Breakdown</u>	<u>Ac./Sq.Ft.</u>		
Land by Fee Title	<u>15.40</u>	acres	Fence: _____ rods woven
Underlying Fee Title	_____	acres	Fence: _____ rods barbed
Permanent Easement	_____	acres	
Temporary Easement	_____	acres	

4. SELLER WARRANTS that there are no tenants on the premises holding under lease except: **None**.
5. This agreement shall apply to and bind the legal successors in interest of the Seller and SELLER AGREES to pay all liens and assessments against the premises, including all taxes and special assessments payable until surrender of possession as required by the Code of Iowa, and agrees to warrant good and sufficient title. The Seller agrees to allow the closing agent representing the Buyer to make contact with the Seller's lender or other lienholders, as applicable, to obtain a release of mortgage, release of lien(s), or subordination, if required, to complete the closing of this real estate transaction. The Seller agrees to execute any other Release of Information required by the Buyer to obtain any necessary lien release. Names and addresses of lienholders are: **None**
6. Buyer may include mortgagees, lienholders, encumbrancers and taxing authorities as payees on warrants issued in payment of this agreement. Seller agrees to provide Buyer with the abstract of title for the premises, and **Buyer** will be solely responsible for the costs associated with abstract continuation as necessary to complete this real estate transaction as agreed to by the Public Works Department.
7. If Seller holds title to the premises in joint tenancy with full rights of survivorship and not as tenants in common at the time of this agreement, Buyer will pay any remaining proceeds to the survivor of that joint tenancy and will accept title solely from that survivor, provided the joint tenancy has not been destroyed by operation of law or acts of Seller.
8. These premises are being acquired for public purposes and this transfer is exempt from the requirements for the filing of a Declaration of Value by the Code of Iowa. **Buyer** will be solely responsible for the payment of transfer tax incurred, if any, as a part of this real estate transaction, as agreed to by the Public Works Department.
9. Buyer hereby gives notice of Seller's five-year right to renegotiate construction or maintenance damages not apparent at the time of the signing of this agreement as required by the Code of Iowa, Section 6B.52.
10. This written agreement constitutes the entire agreement between Buyer and Seller and there is no agreement to do or not to do any act or deed except as specifically provided for herein.
11. Seller states and warrants that, to the best of Seller's knowledge, there is no burial site, well, solid waste disposal site, hazardous substance, nor underground storage tank on the premises described and sought herein.

SELLER'S SIGNATURE AND CLAIMANT'S CERTIFICATION: Upon due approval and execution by the Buyer, we the undersigned claimants certify the Total Lump Sum payment shown herein is just and unpaid.

DOUBLE DRS, LC

X 
Scott Shriver, Managing Member

X _____

501 W Russell Street

Jefferson, IA 50129
(Mailing Address)

(NOTARY PUBLIC: PLEASE COMPLETE LEFT AND RIGHT SIDES)

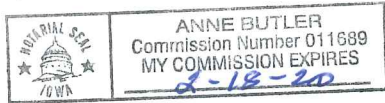
SELLER'S ALL-PURPOSE ACKNOWLEDGMENT

STATE OF IOWA }
COUNTY OF GREENE } ss:

On this 11 day of Aug, A.D. 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared **Scott Shriver**

to me personally known
or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within record and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the record the person(s), or the entity upon behalf of which the person(s) acted, executed the record.

 (Sign in Ink)
Signature of Notary Public



CAPACITY CLAIMED BY SIGNER:

- INDIVIDUAL
- CORPORATE
- Title(s) of Corporate Officer(s):
Managing Member
- Corporate Seal is affixed
- No Corporate Seal procured
- PARTNER(s):
 - Limited Partnership
 - General Partnership
- ATTORNEY-IN-FACT
- EXECUTOR(s) or TRUSTEE(s)
- GUARDIAN(s) or CONSERVATOR(s)
- OTHER:

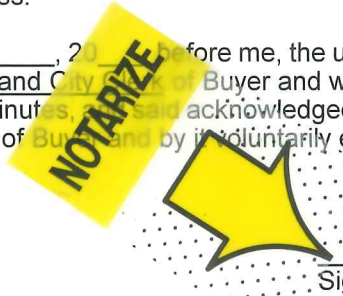
SIGNER IS REPRESENTING:

List name(s) of entity (ies) or person(s)
Double DRS, LC

BUYER'S ACKNOWLEDGMENT


STATE OF IOWA,
COUNTY OF STORY, ss:

On this ___ day of _____, 20___ before me, the undersigned, personally appeared John A. Haila and Diane Voss, known to me to be the Mayor and City Clerk of Buyer and who did say that said record was signed on behalf of Buyer by its authority duly recorded in its minutes, and said acknowledged the execution of said record, which signature appears hereon, to be the voluntary act and deed of Buyer and by it voluntarily executed.



Signature of Notary Public

BUYER'S APPROVAL

BY 
Recommended by: Ryan K. Gurwell, Project Manager

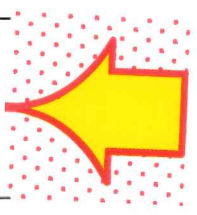
Date: 8/20/18

BY _____
Approved by: John A. Haila, Mayor
City of Ames, Iowa

Date: _____

BY _____
Approved by: Diane Voss, City Clerk
City of Ames, Iowa

Date: _____



ASSESSMENT AIR PHOTO – PARENT TRACT

