ITEM #	32
DATE:	10-14-08

#### COUNCIL ACTION FORM

# SUBJECT: US69 INTERSECTION IMPROVEMENTS – 13<sup>TH</sup> STREET AND GRAND AVENUE

### BACKGROUND:

During the July 24, 2007 City Council Meeting, the US69 Intersection Improvement project for 13<sup>th</sup> Street and Grand Avenue was modified from full reconstruction of the intersection to just replacing the traffic signal system. This modification was primarily to improve the traffic signal operations and minimize the right-of-way impacts that would have resulted from the addition of left-turn lanes, which was to be part of the full reconstruction option.

At that time, staff stated that in order to meet current lowa Department of Transportation safety requirements for roadside obstructions, the new traffic signal pole locations will need to be located a minimum of ten (10) feet behind the curb. Therefore, the right-of-way needs for the project was greatly reduced to requiring only small sections at the respective corners of the intersection.

WHKS & Co., the consulting engineers for this project, selected Graham Land Acquisitions to work with the property owners to secure the additional right-of-way for the new traffic signal pole locations. Graham Land Acquisitions reported to City staff that each property owner on the northeast, northwest, and southwest corners of the intersection have signed agreements to purchase the required portions of their properties. Therefore, staff will move ahead with the project to replace the traffic signals. However, even though the property owners have already granted the right-of-way necessary for the signal project, each property owner expressed the strong desire to sell the whole property to the City of Ames rather than simply the portions required for the signal project. As a result, staff is bringing these requests to City Council from those property owners who desire the City of Ames to fully acquire their properties.

According to the most recent values shown on the Story County Assessor's site, the total amount of the assessed values for the three properties located at 704/706 13<sup>th</sup> Street (duplex), 1303 Grand Avenue (church), and 629/631 13<sup>th</sup> Street (multi-unit rental), the southwest, northwest, and northeast corners, respectively, is \$295,800.

Public Works staff has had discussion with staff in the Housing Division regarding what options the City of Ames has if these properties were to be fully purchased. An assessment of each property will need to be made in order to determine the condition of the buildings that exist at each location. Staff would then ascertain any improvements that would be required to either the interior or exterior of these properties. It might be possible for two of these properties to be used to help accomplish an important goal of the City, affordable housing, in the interim period until needed for future roadway expansion. By purchasing the properties now, it may also reduce additional cost of acquiring the properties in the future, without willing sellers, as is the case with the current property owners.

In being responsive to requests made by the following property owners at 704/706 13<sup>th</sup> Street (southwest corner), 1303 Grand Avenue (northwest corner), and 629/631 13<sup>th</sup> Street (northwest corner), the City could be in the position to take a proactive approach to acquiring additional right-of-way for future public improvements.

The City Council should understand, however, that a proactive approach does present some risk to the City, much like the previous case in purchasing the properties at 5<sup>th</sup> Street and Grand Avenue to facilitate the expansion of the 6<sup>th</sup> Street and Grand Avenue intersection. By once again assuming the role as the landlord of rental properties, the City would need to commit sufficient funding to make needed repairs and to maintain the properties.

## ALTERNATIVES:

1. Give serious consideration to the property owners' request by directing staff to report back to Council with possible costs, funding, and impacts of acquiring and managing the properties located at 704/706 13<sup>th</sup> Street, 1303 Grand Avenue, and 629/631 13<sup>th</sup> Street, in response of those property owners who are willing to sell to the City of Ames.

Regardless of the Council's decision regarding this request, staff will be able to continue with the approved traffic signal replacement project.

2. Reject the request from property owners to purchase the entire properties at this time. Under this alternative, staff will also be able to proceed with the traffic signal replacement project.

## MANAGER'S RECOMMENDED ACTION:

Staff is bringing this matter before Council at the request of the property owners at 704/706 13<sup>th</sup> Street, 1303 Grand Avenue, and 629/631 13<sup>th</sup> Street. The Council must decide if the City should give any consideration to the three property owners' desire to sell their properties to the City in anticipation of some future traffic improvement project at the intersection. If so, it may be appropriate to approve Alternative 1, taking the steps to gather information regarding possible costs, funding, and impacts of these purchases. It not, Council should move ahead with Alternative 2, rejecting the owners' requests.

