

**COUNCIL ACTION FORM**

**SUBJECT: SUMNER AVENUE RIGHT-OF-WAY AND ALLEY IN KINGSBURY'S ADDITION**

**BACKGROUND:**

The owner of the property at 217 High Avenue has requested that the right-of-way of Sumner Avenue south of SE 2<sup>nd</sup> Street be vacated. Sumner Avenue pavement in that location was removed and the right-of-way does not connect with SE 3<sup>rd</sup> Street. The owner also asked that the City vacate an alley south of SE 2<sup>nd</sup> Street between Sumner Avenue and High Avenue as it is surrounded by land owned by this individual.

According to City policy for disposing of public right-of-way, adjacent property owners were approached regarding their interest in purchasing the respective adjoining half of Sumner Avenue. The total value of the Sumner Avenue right-of-way is estimated at \$124,723.81, and the alley right-of-way cost is estimated at \$12,091.85. These values were determined by taking the value of adjacent property, and in accordance with City policy, deducting 10 percent for a quit claim deed and deducting 15 percent for maintaining easements on the property for access to existing utilities. Utility right-of-way permits and easements would need to be retained in order to maintain access to the existing utilities.

The property owners at 202 South Duff Avenue said they are not interested in purchasing the land. The property owners at 220 South Duff Avenue are not interested unless they will lose the lease with the City of Ames on a portion of right-of-way that allows parking. After conferring with the Legal Department, the right-of-way with the lease could be sold conditional upon the new owner honoring the exact lease terms that exist. After receiving the cost estimate, the property owner at 217 High Avenue countered with an offer to buy all the right-of-way for \$50,000. This value is not consistent with City policy on determining the value of the right-of-way. No other owner was approached about an adjustment of the right-of-way costs based on this reduced offer.

**ALTERNATIVES:**

1. Retain this land and deny the request to vacate the right-of-way of Sumner Avenue and the alley located in Kingsbury's Addition.
- 2a. Approve the process of vacating the Sumner Avenue right-of-way and alley right-of-way in Kingsbury's Addition, and set the date of public hearing as June 23, 2009.

- b. Approve the sale of all vacated right-of-way to the adjacent property owner at 217 High Avenue in the amount of \$136,875.66, and establish June 23, 2009, as the date of public hearing on the resolution to sell the property.
3. Approach all adjacent property owners with adjusted square foot costs using the \$50,000 to set the square foot price.

**MANAGER'S RECOMMENDED ACTION:**

Even though this right-of-way vacation process was initiated by a private property owner, it now appears that neither that individual or another abutting property owner is willing to meet the purchase price determined by Council's established policy for valuing excess land.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby retaining this land and denying the request to vacate the right-of-way of Sumner Avenue and the alley located in Kingsbury's Addition.