

OLD
CAF
34 & 35
ITEM # 19
DATE 06-22-10

COUNCIL ACTION FORM

SUBJECT: JACKSON DRIVE RIGHT-OF-WAY

BACKGROUND:

The City Council referred a request on behalf of the property owner of 1605 Jackson Drive to vacate a right-of-way parcel to the west of their property (see attached map). It was found that this parcel was created with Parkview Park and was intended to access a future school site. The future school site was later developed as a residential subdivision, and a pedestrian access no longer serves any purpose. The issue was taken to the Parks and Recreation Commission and they confirmed that the land holds no value as park property.

According to City policy for disposing of public right-of-way, the requesting party should pay an amount equal to the average assessed value of the adjacent land on a square foot basis, minus a ten percent reduction for a quit claim deed and an additional fifteen percent reduction for the utility easement at the back of the property. When this policy is applied to this parcel, the amount owed to the City would be \$9,896.26. Since the owner of 1609 Jackson also expressed interest in this property, the value of each half would be \$4,948.13 to accommodate both property owners' requests.

The two adjacent property owners were notified of the cost of the land and invited to respond with their interest. The property owner at 1609 Jackson Drive hired an appraiser at their cost to evaluate the value of the land. The appraisal placed the value of the entire parcel at \$2,308 based on comparable City land transfers. They also make the point that the parcel is not large enough to accommodate building, so using land values of surrounding properties should not apply. The owner indicated that she is willing to pay for half of the property at \$1,154, but would not pay the calculated value determined by the City.

The property owner at 1605 Jackson Drive indicated that he believes he should receive his adjacent half of the property at no expense, since he has maintained the property from 1991 to the present. He has estimated the value of his mowing, fertilizing, and snow removal at \$13,200.

It should be noted that State Code prohibits disposal of real property by gift except to a governmental body for a public purpose. Therefore, the property cannot be transferred free of charge to the adjacent home owner unless the City Council finds that the right-of-way has no value or the City receives some other form of consideration that is of equal value. While the property owners might suggest that the transfer of this land will save the City from future maintenance costs, the City Code requires abutting property owners to maintain adjacent

public right-of-way inside the curb lines. Therefore, the City has no legal obligation to maintain this right-of-way if the request is rejected and the status quo is continued.

A similar dead-end situation exists on Truman Drive, and staff was also contacted by those property owners as a result of the Jackson referral. Only one property owner responded and said he was not interested unless there was no cost for the property. City staff will contact the property owners after the decision on the Jackson Drive property to let them know what was decided on Jackson Drive and assess their interest.

ALTERNATIVES:

- 1a. Approve the process of vacating the Jackson Drive right-of-way adjacent to 1605 and 1609 Jackson Drive, and set the date of public hearing as July 13, 2010.
- b. Approve the sale of all vacated right-of-way to the adjacent property owners in the amount of \$4,948.13, and establish July, 13, 2010, as the date of public hearing on the resolution to sell the property.
- 2a. Approve the process of vacating the Jackson Drive right-of-way adjacent to 1605 and 1609 Jackson Drive, and set the date of public hearing as July 13, 2010.
- b. Approve the sale of all vacated right-of-way to the adjacent property owners in the amount of \$1,154.00, and establish July, 13, 2010, as the date of public hearing on the resolution to sell the property.
- 3a. Approve the process of vacating the Jackson Drive right-of-way adjacent to 1605 and 1609 Jackson Drive, and set the date of public hearing as July 13, 2010.
- b. Approve the sale of all vacated right-of-way to the adjacent property owners in the amount of \$1.00, and establish July, 13, 2010, as the date of public hearing on the resolution to sell the property.
- 4. Retain this land and deny the request to vacate the Jackson Drive right-of-way adjacent to 1605 and 1609 Jackson Drive.

MANAGER'S COMMENTS:

Because a previously proposed grade school will not be constructed north of the requesting property owners, this right-of-way no longer serves any public purpose and, therefore, could be made available for transfer to the abutting property owners. The City's normal process for disposal of unneeded property is to charge based on the square footage assessed value of the adjacent properties as reflected in Alternative #1. Therefore, if the Council feels that this policy is appropriate in this situation, the first alternative should be adopted. This alternative will make the 2,350 sq. ft. of public right-

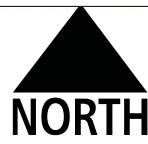
of-way available for sale to the abutting property owners for \$9,896.26 (or \$4,948.13 per property owner).

However, in this instance the City was provided with a professional appraisal of this property indicating the value is \$2,308 (or \$1,254 per property owner). Given the fact that the appraisal information might offer a more precise determination of the actual value of this property, the Council would be justified in supporting Alternative #2.

Because our data indicates that the property does have some value based on the assessed or appraised value approach, and because abutting property owners are required by our City Code to maintain the public right-of-way adjacent to their properties, Alternative #3 is not viable at this time.



Geographic Information System (GIS) Product Disclaimer: City of Ames GIS map data does not replace or modify land surveys, deeds, and/or other legal instruments defining land ownership and land use nor does it replace field surveys of utilities or other features contained in the data. All features represented in this product should be field verified. This Product is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. The burden for determining accuracy, completeness, timeliness, merchantability and fitness for or the appropriateness for use rests solely on the User.



Title:	
Scale:	1 in = 50 ft
Date:	

APPRAISAL OF



LOCATED AT:

1607 Jackson Dr.
Ames, IA 50010-4437

FOR:

Carol Greiner

BORROWER:

AS OF:

March 10, 2010

BY:

Borrower:	File No.: Land Appraisal Report
Property Address: 1607 Jackson Dr.	Case No.:
City: Ames	State: IA
Lender: Carol Greiner	Zip: 50010-4437

NEIGHBORHOOD

The area around the subject is an established area on the north side of Ames, Iowa. The area has good proximity to a number of Ames important destinations including Iowa State University(ISU), North Grand Mall, downtown Ames, and public schools. The area is residential in nature with houses all around. The house types are a combination of 1 story, 2 story, and split level/foyer houses. The houses in the area are of 30-45 year old mainly. Residents commute to a variety of Ames employers including ISU, the National Animal Disease Center, 3-M, and Ball Mfg. ISU is a large employer and is a multi-county employer. The area has always benefitted from having ISU close by with its concerts and Big 12 sports.

SUBJECT SITE

The subject site is level at grade and is a presently a lot between 1605 Jackson and 1609 Jackson in Ames, Iowa. The lot was previously a proposed drive to go back to a proposed school and park to the north of that area in an area that is Regan Dr. The school and park were never built so that Regan area turned into residential. The subject site is a 25'x130' parcel that is between 1605 Jackson and 1609 Jackson. It is not large enough for building anything on it with the exception of a garage or shed, or to use it for lawn or gardening. THEREFORE, the site has limited appeal in the present market.

SALES COMPARISON APPROACH

Three sale were used in the approach and all were sold within in past 2 years in the Ames market. They were similar sales in that they were smaller parcels that only a garage or gardening could take place on them do to zoning issued with rules and setbacks. These properties with limited appeal in the market were scarce in the Ames market. They have only fair appeal in the market. These three were the only sales/transfers of somewhat similar size to the subject.

Sale 1 is actually accross the road on the north side of 13th St.

Sale 2 is an alley extention to the rear of lot 12 of 1112 Grand Ave. in Ames.

Sale 3 was actually given to the owner for \$0 by the city. It is at the rear of a larger property-commercial lot.

Sales 1 has street access like the subject. Sales 2 and 3 do not have street access. The larger issue here is that all these properties cannot have houses built on so they have limited function/appeal. This appraiser talked to Ames Zoning and the Ames Assessor. Zoning said that a 2 car garage could be built on Sale 1 and , although it had over 6000 sq ft, it is only 22 feet wide for much of the lot and the setbacks from roads make it unreasonable to build on. Sales 2 and 3 are at the rear of lots so they do not have buiding options.

RECONCILIATION

Average sq ft of sales/transfers of Sales 1,2, and 3 is \$.71/sq ft. Subject site is 3250 sq ft. Price of the subject would be---
 $3250 \times \$.71 = \2308 .

LAND APPRAISAL REPORT

File No. Land Appraisal Report

SUBJECT	Property Address 1607 Jackson Dr.				Census Tract 0003.00	LENDER DECLARATORY USE						
	City Ames		County Story		State IA	Zip Code 50010-4437		Sale Price \$				
	Legal Description PARKVIEW HEIGHTS SD 8TH ADD LOT A								Date			
	Owner/Occupant Ames, City of				Map Reference 05-27-377-053		Mortgage Amount \$					
	Sale Price \$ NA		Date of Sale		Property Rights Appraised		Mortgage Type					
	Loan charges/concessions to be paid by seller \$				<input checked="" type="checkbox"/> Fee Simple	Discount Points and Other Concessions						
NEIGHBORHOOD	R.E. Taxes \$ 0.00		Tax Year 2008-09		HOA \$/Mo.		Paid by Seller \$					
	Lender/Client Carol Greiner				<input type="checkbox"/> Leashold							
					<input type="checkbox"/> Condominium (HUD/VA)							
					<input type="checkbox"/> PUD	Source						
	LOCATION		<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	NEIGHBORHOOD ANALYSIS						
	BUILT UP		<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	Employment Stability	<input checked="" type="checkbox"/>	Good	Avg.	Fair	Poor	
GROWTH RATE		<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	Convenience to Employment	<input checked="" type="checkbox"/>						
PROPERTY VALUES		<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	Convenience to Shopping	<input checked="" type="checkbox"/>						
DEMAND/SUPPLY		<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	Convenience to Schools	<input checked="" type="checkbox"/>						
MARKETING TIME		<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 3-6 Mos.	<input type="checkbox"/> Over 6 Mos.	Adequacy of Public Transportation	<input checked="" type="checkbox"/>						
SITE	PRESENT LAND USE %		LAND USE CHANGE		PREDOMINANT OCCUPANCY		SINGLEFAMILY HOUSING					
	Single Family 75%	Not Likely	<input checked="" type="checkbox"/>	Owner	<input checked="" type="checkbox"/>	PRICE \$(000)	AGE (yrs)	Recreation Facilities				
	2-4 Family 5%	Likely	<input type="checkbox"/>	Tenant	<input type="checkbox"/>			Adequacy of Facilities				
	Multi-Family 5%	In process	<input type="checkbox"/>	Vacant (0-5%)	<input checked="" type="checkbox"/>		Low	Property Compatibility				
	Commercial 5%	To:		Vacant (over 5%)	<input type="checkbox"/>		High	Protection from Detrimental Cond.				
	Industrial 5%						Predominant	Police & Fire Protection				
Vacant 5%								General Appearance of Properties				
								Appeal to Market				
Note: Race or the racial composition of the neighborhood are not considered reliable appraisal factors.										COMMENTS See addendum		
SALES COMPARISON ANALYSIS	Dimensions 25x130				Topography		Basically Level					
	Site Area 3250 Sq.Ft.				Corner Lot No		Size		Typical for Area			
	Zoning Classification RL				Zoning Compliance RL Res Low Density		Shape		Rectangular			
	HIGHEST & BEST USE: Present Use X				Other Use		Drainage		Appears Adequate			
	UTILITIES		Public	Other	SITE IMPROVEMENTS		Type	Public	Private	View		
	Electricity	<input checked="" type="checkbox"/>		Street	Asphalt	<input checked="" type="checkbox"/>				Landscaping		
Gas	<input checked="" type="checkbox"/>		Curb/Gutter		<input checked="" type="checkbox"/>				Driveway			
Water	<input checked="" type="checkbox"/>		Sidewalk		<input checked="" type="checkbox"/>				Apparent Easements			
Sanitary Sewer	<input checked="" type="checkbox"/>		Street Lights		<input checked="" type="checkbox"/>				FEMA Flood Hazard			
Storm Sewer	<input checked="" type="checkbox"/>		Alley	None	<input type="checkbox"/>				FEMA Map/Zone			
Comments (Apparent adverse easements, encroachments, special assessments, slide areas, etc.):												
The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.												
RECONCILIATION	ITEM		SUBJECT		COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3			
	Address		1607 Jackson Dr. Ames		1312 Ridgewood Dr. Ames, Iowa		1112 Grand Ave. Ames, Iowa		3529 Lincoln Way Ames, Iowa			
	Proximity to Subject				1.05 miles S		1.33 miles SSE		2.55 miles SW			
	Sales Price		\$ NA		\$ 4,500		\$ 2,124		\$ 0			
	Price/		\$ 0		\$ 0		\$ 0		\$ 0			
	Data Source		County Rec		County Rec		County Rec		County Rec			
	VALUE ADJUSTMENTS		DESCRIPTION		DESCRIPTION		DESCRIPTION		DESCRIPTION		DESCRIPTION	
	Sales or Financing				Cash		Cash		None			
	Concessions											
	Date of Sale/Time		NA		01/28/2010		07/10/2008		03/05/2009			
	Location		Urban		Urban		Urban		Urban			
	Site/View		Typical		Typical/RR tracks		Residential		Residential			
Sq ft		3250 sq ft		6794 sq ft		800 sq ft		1770 sq ft				
Legal		ParkviewHeights		Ridgewood2nd Ad		Lee'sAd/S8'W100		Edgewood5thAdd				
Legal		SD8thAdd LOTA		Lot 20 Blk 1		100E-WalleyBlk2						

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the Appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISERS CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and Limiting Conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 1607 Jackson Dr., Ames, IA, 50010-4437

APPRAISER:**SUPERVISORY APPRAISER (only if required)**

Signature: Kathleen O'Hara
 Name: _____
 Date Signed: 03/23/2010
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

Signature: _____
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

☐ Did ☐ Did Not Inspect Property

ORDINANCE NO. _____

**AN ORDINANCE TO VACATE THE TWENTY-FIVE FEET WIDE STRIP
OF PUBLIC WAY LOCATED AT 1607 JACKSON DRIVE IN THE CITY OF
AMES, IOWA.**

BE IT ORDAINED, by the City Council for the City of Ames, Iowa, that:

Section One. That the platted public way located at 1607 Jackson Drive and described as Lot A of the 8th Addition to Parkview Heights Subdivision in the City of Ames be and the same is hereby vacated.

Section Two. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section Three. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this _____ day of _____, 2010.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor