

Staff Report
**CITY RIGHT-OF-WAY FOR BUILDING EXPANSION
OF FIRST UNITED METHODIST CHURCH**

October 12, 2010

BACKGROUND:

On May 25, 2010, City Council referred a letter from Attorney C. A. Paisley representing the First United Methodist Church at 516 Kellogg Avenue. The purpose of the letter was to initiate discussion with the City regarding a proposed expansion to the Church's main building. The expansion would require re-platting of the existing lots in the 500 block of Kellogg Avenue and acquisition of approximately 5,583 square feet of City property. This property has an estimated land value of \$70,345.80.

The area in discussion is located along the east side of Kellogg Avenue between 5th Street and 6th Street, just across the street from the Post Office. Currently there are four lots in this block. Two of the lots are owned by the City of Ames (Municipal Parking Lots R & S), and two are owned by the Church. One of these lots holds a commercial building, and the other is the Church's main building.

A licensed land surveyor with CGA consulting engineers performed a boundary survey of the existing lots to determine the total land area available between the Church's properties and the City of Ames Municipal Lots. The total came to 54,254 square feet – 36,212 square feet from the Church and 18,042 square feet of City property. In working with the Church's design team and City staff, CGA put together several revisions of a conceptual site plan to identify the needed lot size that would meet both the needs of the Church's proposed expansion and the *Municipal Code* design standards in the Downtown Zoning District. The proposed plat to facilitate the design would take the existing four lots and reduce them into two larger lots.

In order to accomplish its proposed expansion, the Church ultimately will need a lot totaling 41,795 square feet, which leaves 12,459 square feet of land to be retained by the City. This equates to a net loss of City property of 5,583 square feet. Staff worked with the City Assessor's Office to estimate the value of the land based upon surrounding properties in the downtown area. It was determined that this land is worth \$70,345.80, which breaks down to approximately \$12.60 per square foot. The Church's proposed lot would be located in the north half of the block along 6th Street, and the resulting City lot would be south along 5th Street.

Currently, Municipal Lot R is located south of the church and north of the commercial building. This lot has 22 stalls, four of which are reserved by First United Methodist Church, one by another Ames resident, and the rest are metered stalls. Lot S is located at the far southern end of the block along the 5th Street side and has 17 stalls, all of which are metered. Both of these lots have approximately half of their usable life remaining before they would need reconstruction. The proposed land exchange would result in a new Municipal Lot containing 32 metered stalls. **Therefore, should the City**

Council decide to move ahead with this proposal, there would be seven fewer public parking spaces available in our municipal lot than currently exist.

Based upon historical data taken from the annual meter collections for Lots R & S, the total average income is \$97.85. This equates to approximately \$3.06 per metered stall per year. Reserved stalls are \$40 per month when under contract. If they are not reserved, spaces will be metered. Five stalls have been consistently reserved at these locations totaling \$2,400 per year of parking income. Therefore, total annual income for both lots is approximately \$2,497.85.

City policy states that when the City Council sells public property to a private land owner, the cost will be determined by studying the per square foot assessed valuation of adjacent land. In this case, that comes to \$70,345.80.

It is not uncommon for the interested land owner to request that Council accept an alternative to directly paying the assessed cost of the acquired land. In this case, the First United Methodist Church is proposing to fully reconstruct the lot adjacent to 5th Street, including all perimeter landscaping, into a 32 stall metered parking lot. Dean Snyder Construction, as part of the Church's design team, estimated the value to construct the new lot at \$118,700.

ALTERNATIVES:

If the City Council is willing to facilitate the expansion of this historic downtown church by parting with some of these parking spaces, there appears to be at least two ways to achieve this.

Alternative #1

One option is to require First Methodist Church to pay the assessed value of the 5,583 square feet it is seeking from the City in an amount totaling \$70,345.80. However, Council should understand that this step alone will not provide the 32 spaces shown on the proposed site plan. Therefore, with this option the Church should also be expected to construct the remainder of the north portion of Lot S. This new configuration would then result in a net reduction of seven net spaces overall.

Alternative #2

The second option is to accept the value of a newly constructed 32 space parking lot as compensation for the property.

STAFF COMMENTS:

City Council members must decide if you want to facilitate expansion of this church within the downtown business district. Before deciding, the following issues should be considered.

- Compensation
In lieu of paying the assessed value of the land, the Church is proposing to pay for the complete reconstruction of the remaining City lot (Lot S). With the

demolition of the existing commercial building and the construction of the church expansion, at least a partial reconstruction of Lot S will be required. Since the City already has a paved lot that adequately serves our needs, **the Council must determine if the proposed paving of Lot S is adequate compensation for the transfer of City land to the Church.** If the Council concludes this is not adequate, then the \$70,346 should be charged.

- **Parking**

The City continues to receive complaints from people who work, live, and shop in this business district that there currently are an insufficient number of public parking spaces to satisfy the needs of these customers. Furthermore, staff is not aware of the Main Street Cultural District's position regarding this parking issue. **The City Council must determine if the loss of seven spaces to the parking system in this area is sufficient enough to negate acceptance of this proposal.**

- **Sharing Spaces**

One idea that should be explored if the City decides not to charge the \$70,346 for the land exchange involves the possibility of public use of the Church parking lot during the weekdays.

Perhaps the City could install meters on a portion of the Church lot that would be in effect only on week days. These spaces would then be part of the City parking system in terms of meter fees, fines, and enforcement procedures.

If we are able to work out a sharing arrangement that would yield additional spaces to our system, it could be argued that an adequate tradeoff has been secured to justify the elimination of the purchase amount.

- **Library Expansion**

It will be very difficult to maneuver the Bookmobile into and out of the Library with the expansion of the Church. While the situation probably will not be any worse than the existing situation, there is very little margin of error for the Bookmobile driver.

In order to facilitate improved movement of the Bookmobile, an easement should be secured from the Church with this arrangement to assure access to the Church property for the Bookmobile to maneuver.

- **Next Steps**

If the City Council opts to proceed with this proposal, the following steps are still required before the arrangement can be finalized.

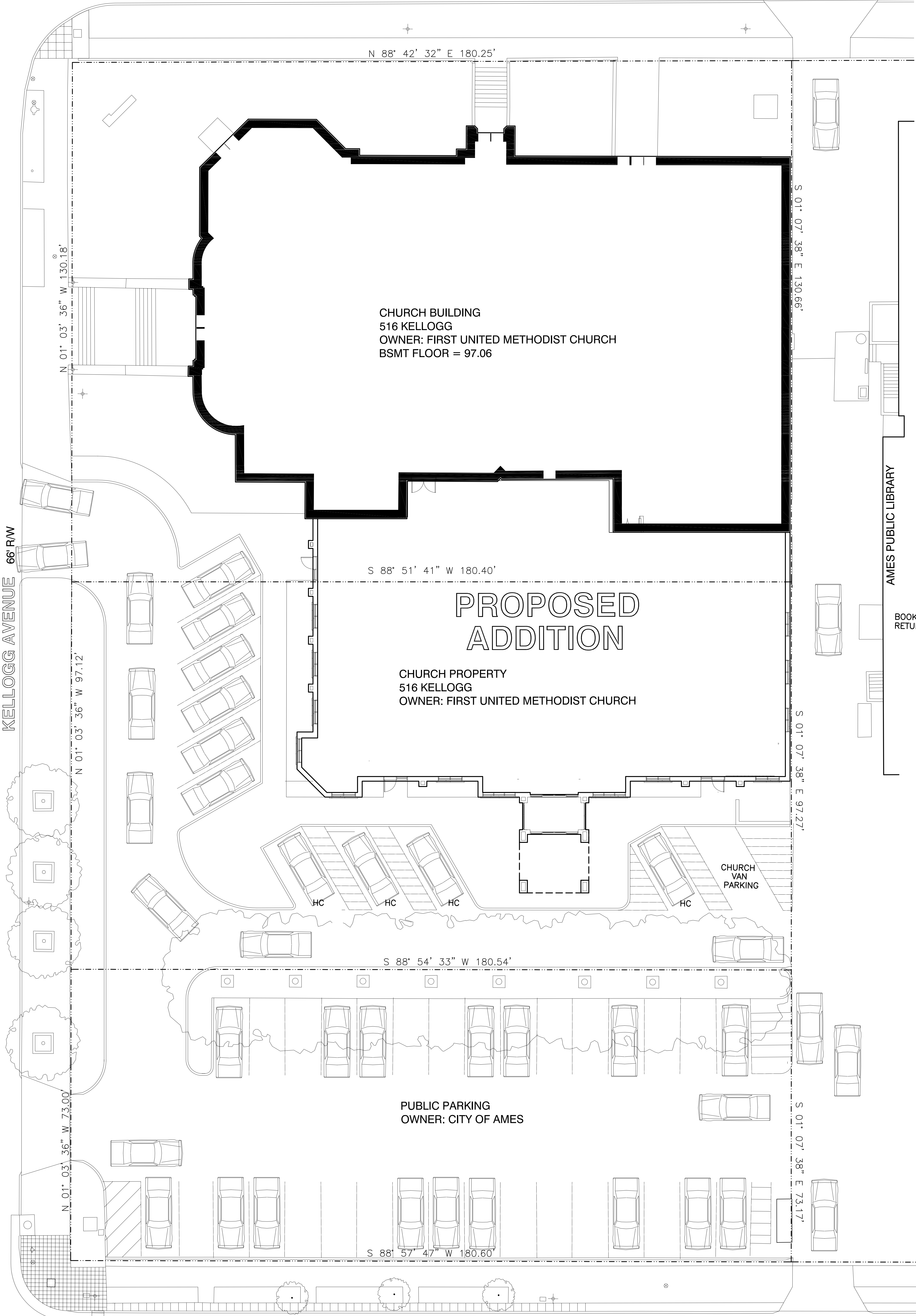
-City Council approval of a text amendment to the Zoning Ordinance is required to allow front yard parking in this area, as proposed in the Church's site plan.

-City Council approval of a Development Agreement outlining the responsibilities of the Church, should other consideration be given to the City for the value of the land.

-City Council approval of a Plat of Survey is required for the proposed site.

-City Council approval of the disposition of land in accordance with State law procedures is required (notice, public hearing, etc.)

-Administrative approval of a Minor Site Development Plan will be required



First United Methodist Church
Building Addition – Phase 1
Cost Estimate
Annex Building Demolition/City Parking Lot Construction
September 24, 2010

Provided by Dean Snyder Construction, 5151 SE Rio CT, Ankeny, IA 50021-4001

Asbestos

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| Floor Mastic Asbestos Removal | \$25,000 |
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Building Demolition

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| Temporary Fencing | |
| Interior Wall Demolition | |
| Exterior/Structural Roof Demolition | |
| Demolition Permits | |
| Electrical, Mechanical, Plumbing Demolition | |
| Tree Removal | |
| Backfill Site – Compacted Clay | |
| Project Management Fee | |
| Seeding | |
| | \$87,700 |

Parking Lot Construction

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|----------------------------|------------------|
| Removal of Existing Lot | |
| 4" Compacted Rock Base | |
| New 5" Concrete Paving | |
| Storm Water Intakes/Piping | |
| Joint Sealing | |
| Stripping | |
| Project Management Fee | |
| Engineering/Survey | |
| | <u>\$118,700</u> |
| Subtotal | \$231,400 |
| 10% Overhead | <u>\$ 23,140</u> |
| Total | \$254,540 |