TTEM #: 13
DATE: 10-28-25
DEPT: PW

COUNCIL ACTION FORM

<u>SUBJECT:</u> TRANSFER OF VACATED ALLEY TO ALPHA IOTA ASSOCIATION OF PHI GAMMA DELTA (325 ASH AVENUE)

BACKGROUND:

In 1917, the Ames City Council passed Ordinance No. 294, which vacated a north-south alley located within Lot 4 of Parker's Addition to Ames. The ordinance annulled the City's interest in the alley but did not result in the formal transfer of the vacated land to the adjoining property owners. As a result, the vacated alley remained in the City's name and is still carried as public property on the Story County records.

The property surrounding this vacated alley, now legally described as Parcel "F", is entirely owned by the Alpha lota Association of Phi Gamma Delta, including:

- Lot 4 in Little's Subdivision
- Lot 6 and the South 20 feet of Lot 7 in Gray & Cessna's Subdivision

A Plat of Survey recorded on February 12, 2025 (Instrument No. 25-00967) shows the subject alley as part of Parcel "F" with an electric easement accommodating the overhead electric in the area. However, no quit claim deed has been executed to formally transfer title of the vacated alley to the Alpha lota Association of Phi Gamma Delta. A recent title opinion dated April 24, 2025, confirms that the City of Ames is still listed as the legal titleholder and recommends finalizing the transfer pursuant to *lowa Code* Section 364.7.

To address this, staff proposes transferring the vacated alley to the adjoining property owner by quit claim deed, consistent with previous actions for similar alley segments. Other examples include:

- A 1993 transfer to First Baptist Church (Instrument No. 13108)
- A 2006 transfer to Iowa Beta Chapter of Phi Kappa Psi (Instrument No. 2006-0003922)
- A 2011 transfer to the Iowa Farm House Association (Resolution No. 11-440)

Per City policy, the value of vacated right-of-way is based on the average assessed value of the adjoining properties, reduced by 10% for the use of a quit claim deed and 15% for retaining public utility easements. Based on this formula, the estimated value of the vacated alley parcel is \$92,742.

However, staff recommends that this transfer be completed at **no cost** to the property owner, as the Alpha lota Association of Phi Gamma Delta has maintained the alley area for many years at no cost to the City and paid property taxes on the vacated alleyway since at least 1948, despite the City retaining legal title since the 1917 vacation. The City will retain all necessary public utility easements as documented in the recorded Plat of Survey or as otherwise required.

ALTERNATIVES:

- Set November 18, 2025, as the date of public hearing to consider conveying the
 previously vacated alley within Lot 4 of Parker's Addition at no cost to Alpha lota
 Association of Phi Gamma Delta by quit claim deed with the release of the deed to the
 property owner for recording contingent upon receipt of the overhead electrical
 easement.
- 2. Do not proceed with setting a public hearing, leaving the vacated alley in City ownership.

CITY MANAGER'S RECOMMENDED ACTION:

This alley was vacated by ordinance over a century ago and is now encompassed entirely by property held under common ownership. Finalizing the transfer is consistent with City precedent, clarifies legal title, and supports responsible land management. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

ATTACHMENT(S):

Memo - Public hearing on 325 Ash Ave.pdf Vacation of Alley_1917.pdf 325 Ash Ave Plat of Survey.pdf