

**COUNCIL ACTION FORM**

**SUBJECT: VACATION AND CONVEYANCE OF RIGHT-OF-WAY ADJACENT 2400 AND 2500 SE 16<sup>TH</sup> STREET**

**BACKGROUND:**

City staff has received a request from James Bergkamp Jr., representing Van Wall Equipment Inc., owner of 2400 and 2500 SE 16<sup>th</sup> Street, to vacate and purchase City right-of-way (ROW) adjacent those properties (see Attachment A). The reason for this request is to acquire additional land area to help facilitate the future development of these lots.

The requested ROW vacation area is 13,926.5 square feet (SF) in size and is adjacent to the south edge of 2400 SE 16<sup>th</sup> St (see Attachment B for a map). Apart from Van Wall, there are no other property owners abutting this ROW.

As stated in the request, Van Wall has agreed to purchase the ROW, if vacated, at the valuation determined by the City's standard formula. That valuation is \$28,410.06, which is based on 2020 land values for comparable vacant properties in the vicinity minus 10% for processing this as a Quit Claim Deed and 15% for retainage of the area as easements (see Attachment C).

If vacated, **this area would require a permanent easement for access and maintenance of the existing entryway lighting enhancements along US Highway 30.** In addition, local utilities were contacted and **Ames Electric indicated that an electric easement would also be needed over this area.** All other utilities responded that they do not have, nor plan to have, any of their infrastructure within this proposed ROW vacation area.

The City's Legal staff will be preparing easement documents. Ideally, the executed easement will be received from Van Wall prior to the third reading of vacation and public hearing approving conveyance on July 28, 2020. However, if the easement has not been received at that time, the vacation and conveyance hearing may still proceed because the City Clerk will withhold processing the conveyance until the executed easement is received from Van Wall.

**ALTERNATIVES:**

1. a. Set the date of public hearing as June 23, 2020 for the first reading to approve the vacation of the ROW area adjacent 2400 and 2500 SE 16<sup>th</sup> Street.
- b. Set the date of public hearing as July 28, 2020 to approve the conveyance of the vacated ROW to the owners of 2400 and 2500 SE 16<sup>th</sup> Street (Van Wall Equipment Inc.) for \$28,410.06 as determined by the adopted City Council policy.
2. Retain this land and deny the request to vacate the ROW area adjacent 2400 and 2500 SE 16<sup>th</sup> Street.

**MANAGER'S RECOMMENDED ACTION:**

Vacation and sale of this ROW area will facilitate the future development of the properties at 2400 and 2500 SE 16<sup>th</sup> Street. Furthermore, the ROW area is not large enough to be developed individually and provides access to only Van Wall's properties. Access to City lighting and electric facilities will be maintained with establishment of the new easement.

**Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.**

## ATTACHMENT A

FW: Van Wall - 2400 and 2500 SE 16th St.

jamiebergkamp@adellaw.com <jamiebergkamp@adellaw.com>

Fri 5/29/2020 11:19 AM

To: Nathan Willey <Nathan.Willey@cityofames.org>

 1 attachments (101 KB)

Attachment C - ROW valuation.pdf;

Nathan:

Van Wall Equipment, Inc. (Van Wall) purchased 2400 SE 16<sup>th</sup> St., Ames, Iowa on May 21, 2020. Van Wall already owned the adjacent lot, 2500 SE 16<sup>th</sup> St.

Van Wall plans to combine the two lots and create a combined space that will be suitable for future development of a restaurant or other business. With that background, Van Wall would like to purchase the Right-of-Way owned by the City of Ames adjacent to the south lines of 2400 and 2500 SE 16<sup>th</sup> St. Van Wall is agreeable to the City's valuation set forth in the attachment. Van Wall is agreeable to conveying back easements over the Right-of-Way purchased for maintenance of the street lights. The acquisition of the Right-Of-Way will make the property more marketable and will be able to be used for setback requirements and will assist in generating more area for parking. In short, it will aid in the future development of the property.

Please have this item placed on the City's agenda for the required readings and an ultimate action item for Council approval of the conveyance of the Right-Of-Way to Van Wall.

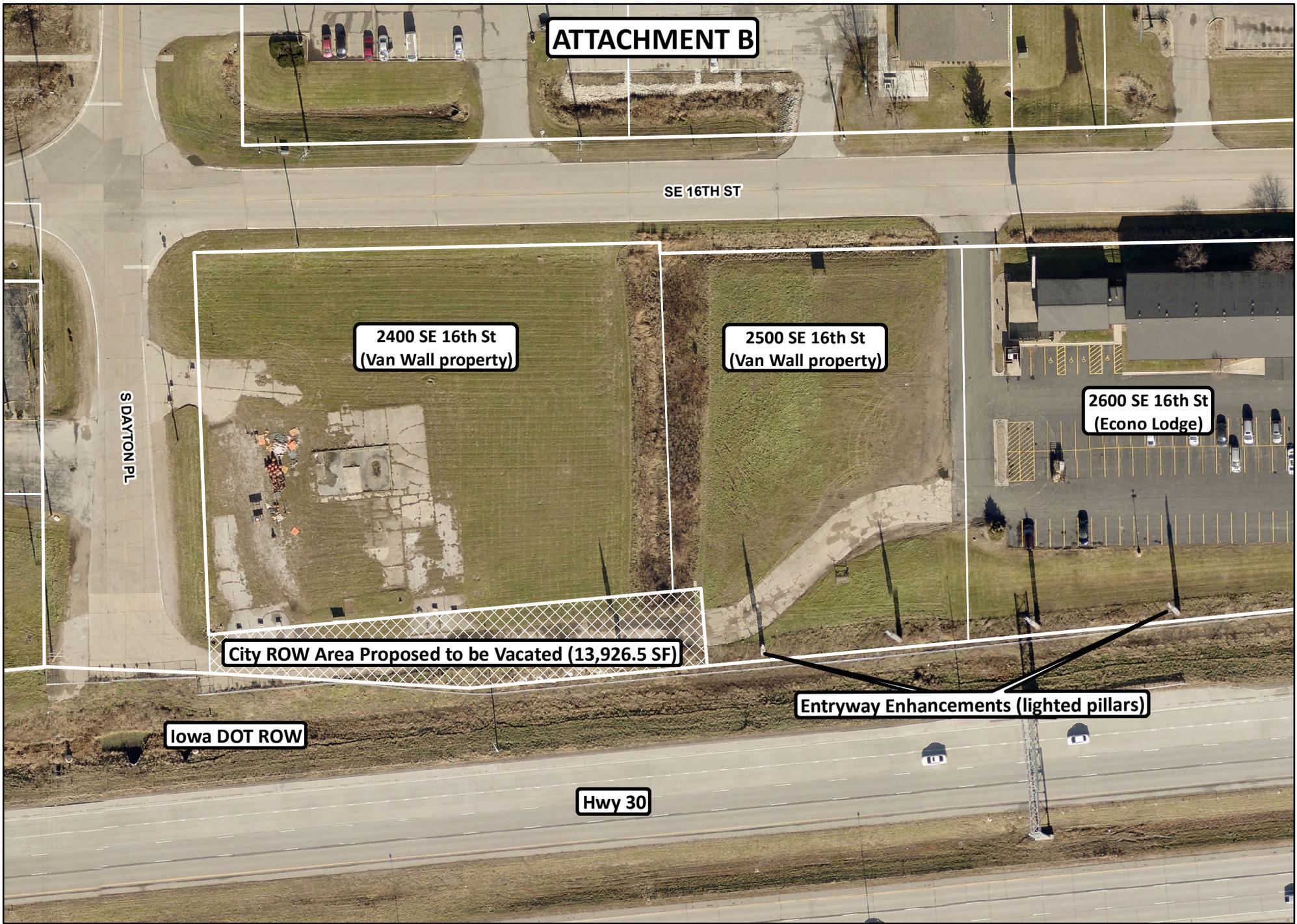
Please let me know if you need anything further.

Thank you.

Jamie

**Jamie Bergkamp**  
**Bergkamp, Hemphill & McClure, PC**  
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**ATTACHMENT B**



**2400 SE 16th St  
(Van Wall property)**

**2500 SE 16th St  
(Van Wall property)**

**2600 SE 16th St  
(Econo Lodge)**

**City ROW Area Proposed to be Vacated (13,926.5 SF)**

**Iowa DOT ROW**

**Hwy 30**

**Entryway Enhancements (lighted pillars)**



**Proposed Vacation of City ROW:  
Adjacent to 2400 & 2500 SE 16th Street  
(Van Wall Equipment Inc.)**



1 inch = 80 feet  
Date: 5/29/2020

## ATTACHMENT C

**PROPOSED SALE OF CITY LAND:**

**ROW area adjacent to 2400 & 2500 SE 16th Street**

Comparable Property Address	Assessed Area (SF)	Assessed 2020 Land Value	\$/Square Foot (SF)
1499 S Dayton Ave	717,604	\$ 169,600	\$ 0.24
1613 S Dayton Place	37,690	\$ 162,100	\$ 4.30
2305 E Lincoln Way	168,708	\$ 252,800	\$ 1.50
1920 SE 16th St	67,931	\$ 607,000	\$ 8.94
2400 SE 16th St	70,671	\$ 207,400	\$ 2.93
2500 SE 16th St	49,103	\$ 208,200	\$ 4.24
2809 Wakefield Circle	58,932	\$ 108,300	\$ 1.84
417 S Bell Ave	79,900	\$ 62,600	\$ 0.78
815 S Bell Ave	50,577	\$ 87,700	\$ 1.73
915 S Bell Ave	55,337	\$ 96,000	\$ 1.73
1015 S Bell Ave	55,779	\$ 96,800	\$ 1.74

<b>Average SF Value:</b>	<b>\$ 2.72</b>
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City ROW Adjacent to:	Area (SF)	Area Value	Total Value (Minus 10% for Deed & 15% for Easements)
2400 & 2500 SE 16th St	13,926.5	\$ 37,880.08	\$ 28,410.06