Council Communication

Department: Community Development Applicant:	Resolution of Intent No. _____ Resolution to Dispose No. _____	Public Hearing: 3-25-2024

Subject/Title

Resolution rejecting all request for proposal responses for the property located at 1901 2nd Avenue.

Legal Description

Lots 1 through 5, Block 7, Everett's Addition, City of Council Bluffs, Pottawattamie County, Iowa.

Background/Discussion

In February, the Community Development Department released a request for proposals (RFP) on the city-owned lot along South 24th Street. One response was received for the RFP:

1. OakNest Homes wishes to purchase the property for $60,000 to construct a four-unit townhome project. They plan to utilize the existing buildings on the property to create the units. Because the property is in a Zone AH Floodplain, FEMA only allows up to 50% of the total property value for renovation unless the structures are fully raised out of the floodplain. This has changed the estimated project cost from up to $700,000 to no more than $220,000 (50% of the appraised value of $440,000).

Based on the submitted proposals, Staff believes rejected the submitted proposal is in the best interest of the City. Compliance with the floodplain rules will be very difficult and may result in a project that cannot move forward. Additionally, the Parks Department is currently using the property for storage and if the City can only recapture $60,000 for the sales price, it would not cover any costs potentially associated with creating additional storage.

Recommendation

The Community Development Department rejecting all submitted bids for the 1901 2nd Avenue site.

Attachments

1. Approved Request for Proposals
2. Public Hearing Notice
3. Submitted proposal from OakNest Homes
4. Resolution