City Council Communication

Department: Community Development Applicant: Habitat for Humanity 1228 South Main Street Council Bluffs, IA 51503	Reso. of Intent No. _____ Reso. to Dispose No. _____	Set Public Hearing: 6/10/2024 Public Hearing: 6/24/2024

Subject/Title

Request: Public hearing on the request of Habitat for Humanity to purchase City owned property legally described as the Bayliss 1st Addition, W31' Lot 4, Block 11, E1/2 Lot 13, Block 11, City of Council Bluffs, Pottawattamie County, Iowa. Located south of 1st Avenue and between S. 8th and 7th Streets.

In 2017, the City took title to property located at 1st Avenue and S. 8th Street (Parcel ID: 754436789009) under Iowa Code 6547A. This allows the City to petition the court to declare a property abandoned. Once the court awards the City title, the City files a "change of title" certificate with the County to show the City as owner. Through this process, the City then obtains the property free and clear from any encumbrances (mortgages, liens, etc.) that may have been attached to the property. Later in 2017, the residence was demoed and the property has been vacant ever since. The property is located in the Bluffs Center 1 Urban Renewal Area. Staff believes it is in the best interest of the City to request proposals for the redevelopment of the site through a RFP process requesting development designs for a multi-family project. This includes disposing of the property for less than the appraised value of $40,000.

As part of the disposition of property, state statutes require the city ensure a reasonable competitive bidding procedure and 30 days to respond. This also includes providing notice by publication in a newspaper having a general circulation to the community 30 days prior to the execution of a contract involving the transfer of property. The RFP was published March 5, 2024 and proposals were due April 4, 2024. City Council voted to select Habitat for Humanity as the preferred developer for approximately .25 acres of land at 1st Avenue and S. 8th Street on the April 22, 2024 meeting. As part of their response to the RFP, Habitat for Humanity proposed a bid amount of $12,950 because it is half the amount that the county assesses the property's tax value of $25,900. Habitat for Humanity explained that given their significant investment committed to the neighboring townhome development, and partnership with city planning to create a multiphase expansion of those original six townhomes, they are requesting that their offer of half of the tax valuation be considered. Staff considers this to be a reasonable offer given the additional investment on the property and the creation of new affordable housing, which the City is in need of.

Recommendation

The Community Development Department recommends approval of the request by Habitat for Humanity to purchase City owned property described as the Bayliss 1st Addition, W31' Lot 4, Block 11, E1/2 Lot 13, Block 11, City of Council Bluffs, Pottawattamie County, Iowa, on for the reasons stated above and subject to the following conditions:

1. The purchase price shall be $12,950.
2. Closing must occur within 60 days of the date of approval.

Attachments

Attachment A: Zoning/Location Case Map