Council Communication

Department: Community Development Case #OTB-20-016 Applicant: Avalos Construction, LLC 1622 Avenue F Council Bluffs, IA 51501 Property Owner: Wesley D. Franks 106 Brentwood Heights Council Bluffs, IA 51503		City Council: 1/09/2023

Subject/Title

Request: Request by Avalos Construction, LLC for an 18-month extension of time to construct a residential dwelling on property formerly owned by the City of Council Bluffs, being legally described as the West 45 feet of Lot 12, except the North six feet for an east/west alley adjoining, Block 25, Everett's Addition, City of Council Bluffs, Pottawattamie County, Iowa.

Location: Undeveloped land at the northeast corner of the intersection of S. 17th Street and 7th Avenue.

Background/Discussion

The Community Development Department has received a request from Avalos Construction, LLC, for an extension of time to construct a residential dwelling on property formerly owned by the City of Council Bluffs, as legally described above (see Attachment A).

On November 23, 2020, the Council Bluffs City Council adopted Resolution No. 20-282 (see Attachment B), which disposed of surplus City-owned property, legally described as West 45 feet of Lot 12, except the North six feet for an east/west alley adjoining, Block 25, Everett's Addition, to Mr. Wesley D. Franks. The purchase price was $9,514.00 and the applicant submitted a 10% down payment ($951.40) with their offer. As part of the approved resolution, City Council agreed to forgive the remaining balance for the property ($8,562.60) if a residential dwelling was constructed and issued a Certificate of Occupancy within two years from the date of approval. The property was deeded to Mr. Franks on December 15, 2020 and he had until November 23, 2022 to construct a home in order to have the remaining balance on the property forgiven by the City.

Mr. Franks was hospitalized with COVID-19 throughout 2022 and recently succumbed to his illness on December 21, 2022. Avalos Construction, LLC wants to purchase the subject property from Mr. Franks' estate to build a new single-family dwelling upon it. Avalos Construction, LLC is aware of the City's forgivable mortgage on the property and has requested an 18-month extension of time to complete the terms of the mortgage by building a new residential dwelling on the property. If the extension request is approved by Council, the City's Legal Department will reassign the mortgage to Avalos Construction, LLC and amend mortgage terms to allow an additional 18-months for a new dwelling to be constructed on the property. These actions will run concurrent with Avalos Construction, LLC closing on the subject property.

Recommendation

The Community Development Department recommends approval of the request by Avalos Construction, LLC for an 18-month an extension of time to construct a residential dwelling on property legally described as the West 45 feet of Lot 12, except the North six feet for an east/west alley adjoining, Block 25, Everett's Addition, City of Council Bluffs, Pottawattamie County, Iowa, subject to the following conditions:

1. The applicant shall complete construction and obtain a Certificate of Occupancy for new residential dwelling on the subject property by July 9, 2024;
2. Approval of the 18-month extension of time shall become effective upon Avalos Construction, LLC purchasing the subject property from Mr. Franks estate; and
3. If the applicant cannot complete construction and obtain a Certificate of Occupancy for the residential dwelling by July 9, 2024, an extension of time shall be requested in writing to the Community Development Department prior to the expiration date. A three-month extension of time may be approved administratively by the Community Development Department. Any extension of time requests exceeding a three-month period shall be reviewed and approved by City Council.

Attachments

Attachment A: Letter requesting an extension of time
Attachment B: Resolution No. 20-282

Prepared by: Christopher N. Gibbons, Planning Manager, Community Development Department