Council Communication

Department: Community Development Applicant: USA Builders LLC 2423 S. 8th Street Council Bluffs, IA 51501	Reso. of Intent No. _____ Reso. to Dispose No. _____	Set Public Hearing: 1/23/2022 Public Hearing: 2/13/2023

Subject/Title

Request of USA Builders LLC to purchase properties located at 4024 Avenue D legally described as the east 22 feet of Lot 81 and Lot 82 except the east 6 feet, Twin City Gardens, City of Council Bluffs, Pottawattamie County, Iowa and 4046 Avenue D legally described as Lot 77 and the southerly 6 feet of the east-west alley abutting Lot 77, Twin City Gardens, City of Council Bluffs, Pottawattamie County, Iowa

Location: 4024 Avenue D and 4046 Avenue D

Background/Discussion

The Community Development Department has received an offer from USA Builders LLC to purchase surplus City-owned property located at 4024 Avenue D legally described as the east 22 feet of Lot 81 and Lot 82 except the east 6 feet, Twin City Gardens, City of Council Bluffs, Pottawattamie County, Iowa and property located at 4046 Avenue D legally described as Lot 77 and the southerly 6 feet of the east-west alley abutting Lot 77, Twin City Gardens, City of Council Bluffs, Pottawattamie County, Iowa. The subject properties are zoned R-2/Two-Family Residential District and are classified as 'transitional preserve' due to the use of Community Development Block Grant (CDBG) funds to acquire and demolish the structures and 'buildable'. The subject properties are not located within a flood zone.

The subject properties were acquired by the city of Council Bluffs on February 4, 2021 and February 3, 2021 through the 2019 Flood Buyout Program. Since acquiring and demolishing the properties, the City has released two previous RFPs to construct two affordable single-family units. The affordability component is required to meet the national objective of creating affordable housing for the CDBG program. After two unsuccessful RFPs, staff released an RFP allowing for the lots to be purchased at fair market value which would "buy out" the affordability requirement. In this instance, fair market is set by the assessed value.

The subject properties shall be priced at its most recent assessed land value, which is $22,000.00 and $16,400 for a total of $38,400. The applicant has offered $22,000.00 and $16,400 for a total of $38,400 to purchase the properties, and has submitted the required 10% down payment ($2,200.00 and $1,640.00 for a total of $3,840.00). Proceeds from the sale will be deposited into the CDBG account. This is required to remove the affordability requirement for the new units constructed.

The subject properties are zoned R-2/Two-Family Residential District and measures 60' x 124' (7,440 square feet) and 44' x 130' (5,720 square feet) which exceeds the minimum lot size requirements for the R-2/Two-Family Residential District. The applicant has not submitted any conceptual house plans to the City for review at this time. However, based on the size of the parcels, the applicant shall be able to construct a new single-family residential dwelling on each of the subject properties that meets or exceeds the City's

minimum single-family residential dwelling size requirements (20 feet wide with a minimum 500 square feet ground floor area).

Recommendation

The Community Development Department recommends selling of property located at 4024 Avenue D as legally described as the east 22 feet of Lot 81 and Lot 82 except the east 6 feet, Twin City Gardens, City of Council Bluffs, Pottawattamie County, Iowa and 4046 Avenue D legally described as Lot 77 and the southerly 6 feet of the east-west alley abutting Lot 77, Twin City Gardens, City of Council Bluffs, Pottawattamie County, Iowa and subject to the following conditions:

1. The purchase price, including the submitted $3,840.00 down payment, shall be $38,400.00; and
2. The applicant shall close on the subject property within 30 days of the date of Council's decision.

Attachments

Attachment A: Location Map 4024 Ave D
Attachment B: Location Map 4046 Ave D
Attachment C: IonWave Application

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