

Council Communication

<p>Department: Community Development</p> <p>CASE #OTB-18-029</p> <p>Applicant: Midlands Humane Society Attn: Linda Kemp 1020 Railroad Ave, Suite A Council Bluffs, IA 51503</p> <p>Representative: Deborah L. Petersen Petersen Law PLLC 215 S. Main Street, Suite 301 Council Bluffs, IA 51503</p>	<p>Resolution to Dispose No. _____</p>	<p>Public Hearing: 11/26/2018</p>
<p style="text-align: center;">Subject/Title</p> <p>Request of the Midlands Humane Society, represented by Deborah Petersen of Petersen Law PLLC, to purchase property legally described as Lot 2, Arbor Creek, City of Council Bluffs, Pottawattamie County, Iowa.</p> <p>Location: Northwest Corner of College Road and Railroad Avenue.</p>		
<p style="text-align: center;">Background/Discussion</p> <p>The City has received an offer from the Midlands Humane Society to purchase the property described above for \$189,000.00. The 6.19 acre parcel is currently classified as “Transitional Preserve”, as the City does not consider it to be a surplus property, however, the property holds the ability to be a benefit to the community, if developed properly in the future. The applicant intends to purchase the subject property to maintain green space, and allow for future expansion of the current humane society building. The expanded building will allow the Midlands Humane Society to expand their services, while maintaining the shelter agreement with the City. The timeframe for the expansion of the shelter is unknown at this time. If approved, the applicant would have 60 days from the final approval to complete the purchase, per adopted city Inventory and Disposal of Surplus City Property policy.</p> <p>The Information Technology Department indicated that there is City Fiber infrastructure underneath the trail that runs along Railroad Avenue. The Public Works Department confirmed that over \$2 million in infrastructure improvements and site work on and around the subject property has been completed with the goal of promoting future development and generating property tax. The Community Development Department acknowledges that the site’s proximity to two public streets, access to infrastructure (e.g. water, sewer, gas, electricity), location on an existing bus route, location within walking distance from a school, and being adjacent to a bike path makes it well suited for a variety of medium density residential development.</p>		

The Midlands Humane Society is a nonprofit organization, and currently leases 17.73 acres of land from the City for \$1 annually. The City's annual contribution to the Midlands Humane Society is based on \$2.00 per capita (\$123,938.04 per year). If Midlands Humane Society were to acquire this land, their expansion would not generate any additional property tax revenue for the City of Council Bluffs.

Prior to the submittal of this Offer to Buy, the Community Development Department received a competing offer for Lot 2, Arbor Creek, from Zimmerman Properties Development, LLC., in the amount of \$188,745.00. The public hearing before the City Council for that offer is scheduled to take place on November 26, 2018. The proposed sale of the property to Zimmerman Properties Development, LLC would be contingent on applications to rezone the property from A-2/Parks, Estates, and Agricultural District to R-3/Low Density Multifamily Residential (CASE #ZC-18-013), to append a PR/Planned Residential Overlay District and to adopt a development plan (CASE #PR-18-003), and to amend the Bluffs Tomorrow: 2030 Comprehensive Plan to reclassify the subject property from "Rural Residential/Agricultural" to "Medium-Density Residential" (CASE #CP-18-001). The offer is also contingent on the applicant receiving Low Income Housing Tax Credits from the Iowa Finance Authority in April of 2019.

Recommendation

The Community Development Department recommends the proposed offer be **denied** for the following reasons:

1. The highest and best use of the property would be medium-density residential based on its proximity to existing utility infrastructure, bike paths, a school, bus routes, and public roadways.
2. The City has over \$2 million in infrastructure and site investment in the vicinity of the subject property with the goal of future development and generating property tax.
3. The Midlands Humane Society has no specified date for when their expansion will occur, and currently leases 17.73 acres of land from the City for \$1 per year. The size and dimensions of the 17-acre parcel is suitable to allow for the expansion of their existing facility and parking without needing to purchase the subject property.
4. Approval of the request will not generate any additional property tax revenue for the City of Council Bluffs.

In the event that the City Council chooses to deny the offers of Zimmerman Properties Development, LLC, and the Midlands Humane Society, Lot 2, Arbor Creek, will remain classified as "Transitional Preserve". Any future development on the parcel would require completion of all purchase requirements stated in the adopted Inventory and Disposal Policy for Surplus City Property.

Attachment: Location map

Prepared By: Brandon Garrett, AICP, Director, Community Development Department

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