Council Communication

Department: Community Development CASES #OTB-19-005 #OTB-19-006 #OTB-19-007 #OTB-19-008 #OTB-19-009 #OTB-19-010 Applicant: Yoder Construction, Inc. Attn: Bryan and Angela Yoder 101 McCandless Ln, Suite A Council Bluffs, IA 51503	Resolution of Intent No. _____ Resolution to Dispose No. _____	Set Public Hearing: 05/20/2019 Public Hearing: 06/10/2019

Subject/Title

Request of Yoder Construction, Inc., represented by Bryan Yoder, to purchase the city-owned properties legally described as Lot 1 and a 20' by 7' strip of vacated Pomona Street Adjacent, Auditor's Subdivision of Lot 1 Block 4 Glendale Addition and that part of Lot 95, Original Plat of Council Bluffs, Iowa West of Huntington Avenue, City of Council Bluffs, Pottawattamie County, Iowa; and Lot 4 and the West ½ of the vacated north/south alley adjacent, Judd's Park Subdivision, City of Council Bluffs, Pottawattamie County, Iowa; and Lot 2 and the West ½ of the vacated north/south alley adjacent, Wells Park Addition, City of Council Bluffs, Pottawattamie County, Iowa; and Lot 3 and the West ½ of the vacated north/south alley adjacent, Wells Park Addition, City of Council Bluffs, Pottawattamie County, Iowa; and Lot 4 and the West ½ of the vacated north/south alley adjacent, Wells Park Addition, City of Council Bluffs, Pottawattamie County, Iowa; and Lot 5 and the West ½ of the vacated north/south alley adjacent, Wells Park Addition, City of Council Bluffs, Pottawattamie County, Iowa. These properties were formerly addressed as 401 Park Avenue, 409 Park Avenue, 431 Park Avenue, 435 Park Avenue, 437 Park Avenue, and 441 Park Avenue.
Location: South of Pomona Avenue on the East side of Park Avenue.

Background/Discussion

The City has received an offer to purchase the properties described above. The properties are all classified as 'transitional dispose' and 'buildable'. According to the adopted policy of April 23, 2018, the property should be priced at the most recent assessed value, which along with the down payment submitted is shown below:

Case Number	Former Address	Last Assessed Value	Down Payment Submitted
OTB-19-005	401 Park Avenue	$16,777	$1,677.70
OTB-19-006	409 Park Avenue	$12,626	$1,262.60
OTB-19-007	431 Park Avenue	$12,452	$1,245.20
OTB-19-008	435 Park Avenue	$11,762	$1,176.20
OTB-19-009	437 Park Avenue	$11,588	$1,158.80
OTB-19-010	441 Park Avenue	$11,242	$1,124.20

The applicant wishes to purchase these properties to construct new residential dwellings. On the properties formerly addressed as 409, 431, 435, 437, and 441 Park Avenue, the applicant is proposing to construct single-family attached dwellings, which would share a common wall. On the property formerly addressed as 401 Park Avenue, the applicant would construct either one single-family dwelling, or one single-family attached dwelling. As is stated in the Letter of Intent (Attachment B), the applicant intends to build the homes as rental properties, though did note that selling them in the future would be a possibility.

Currently, the subject properties are zoned R-2/Two-Family Residential District, which allows both single-family residential structure and single-family attached residential structures. The subject properties are considered non-conforming lots of record, as none of the lots meet the required street frontage of 50 feet for an interior lot and 55 feet for a corner lot, and 3 of the interior lots are below the required 5,000 square feet of lot area. As proposed, the structures appear to meet all applicable setback and lot coverage requirements, except the off-street parking requirements. Per section 15.23.030 *Off Street Parking, Loading and Unloading: Design Standards:* Standard (3). E. "Parking is permitted outside in the side yard or in the rear yard, behind the required front yard setback and must be contiguous with the primary surface driveway". The applicant has indicated that the topography of the lots does not allow for the homes to be setback far enough for a second parking space for each dwelling unit to be located outside of the 25 foot front yard setback that is required in the R-2 District, so the applicant will need to seek the relief of a variance to allow for the second required parking stall for each residential unit to be located within the front property line setback. Variances would be reviewed by the Zoning Board of Adjustment subsequent to a vote of approval of the sale of the properties by the City Council.

The following costs have been incurred on the subject properties:

Case Number	Former Address	Costs Incurred
OTB-19-005	401 Park Avenue	$14,098.51
OTB-19-006	409 Park Avenue	$34,519.66
OTB-19-007	431 Park Avenue	$18,476.42
OTB-19-008	435 Park Avenue	$19,179.19
OTB-19-009	437 Park Avenue	$17,688.82
OTB-19-010	441 Park Avenue	$16,678.36

The applicant has requested that the remaining value of the properties beyond the submitted 10% down payment be forgiven using a forgivable mortgage. The City Council has the authority to approve a sale using a forgivable mortgage on these properties, as they have been owned by the City for greater than 24 months. Per the adopted Inventory and Disposal Policy for Surplus City Property, the remaining value of the property (beyond the 10% down payment) may be forgiven if the property is constructed upon within a time period determined by the City Council, typically within a 12 month period. The applicant has asked that the remaining value on the property be forgiven immediately to assist them with obtaining loans on the construction of the properties, as well as the significant cleanup costs and hillside work on the rear of the properties. The terms of any forgivable mortgage would be determined as a condition of sale in the Resolution to Dispose.

Architectural Standards:

To maintain the historic character of the neighborhood for which these homes are proposed to be located, the Community Development Department requested that the applicant construct homes that would feature design elements that are compatible with the historic Park/Glen Avenue Historic District. The applicant has submitted an exterior elevation proposal for the homes (Attachment C) that feature a porch on the front of the home, dormer roofs over the main 2nd floor windows, 6" crowns over the freeze board of the main 2nd floor windows, and shake siding as an accent on the 2nd floor. The Community Development Department considers the submitted design to be compatible with the neighborhood, and specific design guidelines will be included in the recommendation of the Resolution to Dispose for each parcel as a condition of sale.

Recommendation

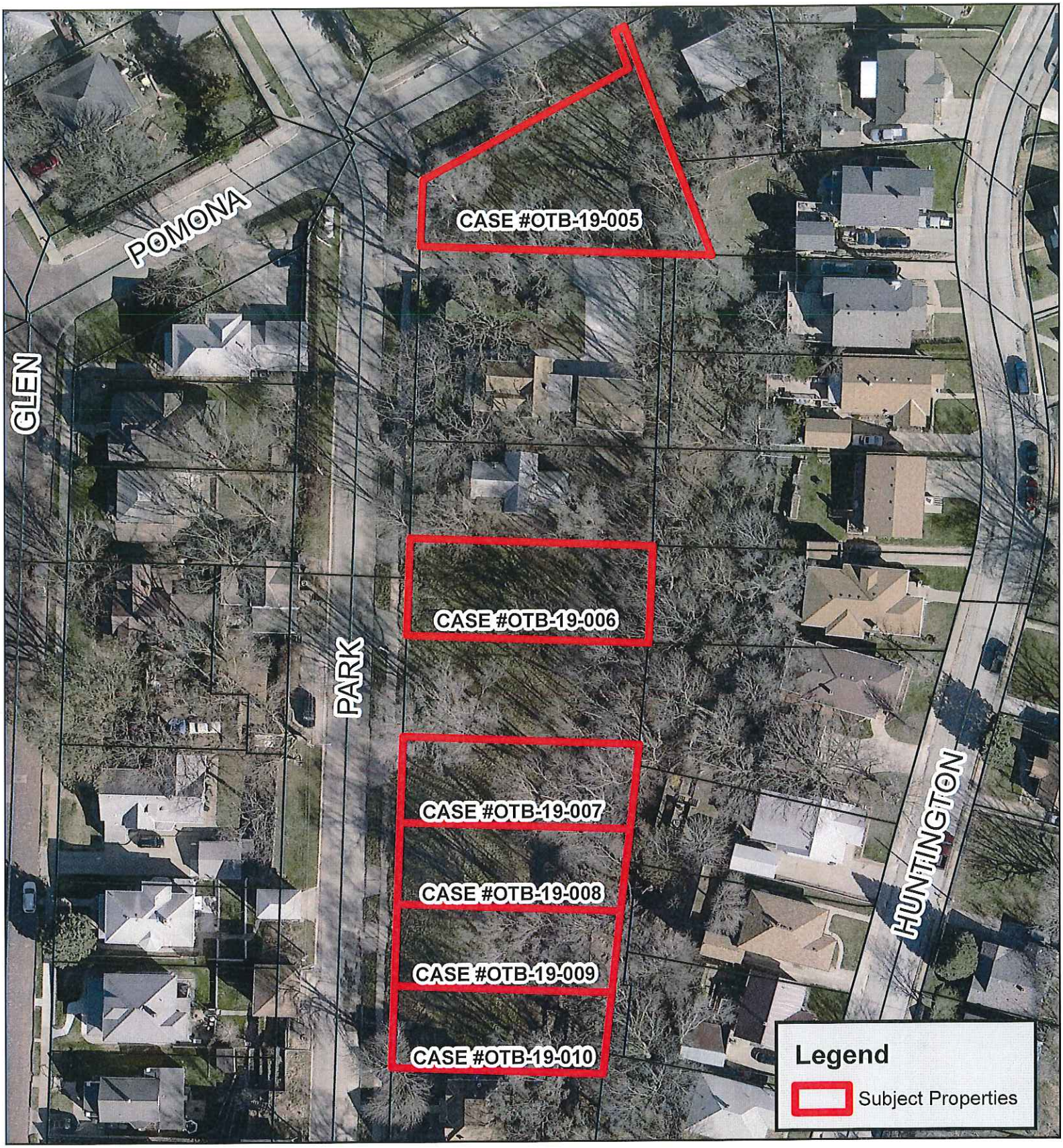
The Community Development Department recommends setting a public hearing on the disposal of the properties legally described above on the June 10, 2019 City Council Meeting.

Attachment A: Location map
Attachment B: Letter of Intent
Attachment C: Front Building Elevation and Proposed Floor Plans
Attachment D: Site Photos

Prepared By: Chris Meeks, Planner, Community Development Department

ATTACHMENT A

Yoder Construction Offers to Buy



CITY OF COUNCIL BLUFFS · COMMUNITY DEVELOPMENT ·

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ATTACHMENT B

Proposal/Offer

For: *401, 409, 431, 435, 437, 441, Park Street lots.*

May 1, 2019

Jodi Quakenbush, City Clerk
City of Council Bluffs
209 Pearl Street
Council Bluffs, IA 51503

To whom it may concern,

The following is our offer and an overview of our proposed plans.

Our proposed plan is to build historically accurate, luxury duplexes. To accommodate young professionals and aging in place individuals. The duplexes will be approximately 1495 sq. ft. two-story, 2 bedroom, 2 bathroom, units with and option for a 3erd bedroom and bathroom in the basement. Each unit will have a front porch and back patio. A single car garage is designed at the basement level to help mitigate the steep terrain of these lots. It will also allow for off-street parking on the narrow portion of Park Street. The plans are shown with a 12/12 pitch roof but we are seriously considering and 8/12 pitch roof design. As it will still be historically accurate to the typical "steep roof" design of the day, but will be safer to maintain.
We are planning on a "build to rent" scenario. There is a possibility of selling in the future.
The lots would need to be subdivided for the purpose of duplexes, address and utilities.
401 Park is the only lot currently that we are considering building as a historically correct custom single-family home.

There is a significant amount of debris, old retaining walls, steps dead trees and shrubbery that needs to be removed. When removed we plan on re-seeding the hillside and using erosion control matting till the seed is established. It is also possible that we may need to add retaining walls in a few areas to accommodate the build.

We request that if possible the city asks adjoining neighbors to clean up excess yard waste, especially noticed behind 437 and 441 Park St. There is all manner of waste, car parts, aluminum guttering, old furniture, cinderblocks, oil filters etc.

We are in agreement with the cities "Application to Purchase City Property" paragraphs **a.** through **J.**

We are requesting in paragraph **(g); (d)** City Financing with Mortgage/Promissory Note, **to be**, a "Forgivable Mortgage".

The typical forgivable mortgage as I understand, is that it would be released/forgiven after two years or simultaneously at closing of the permanent loan on a structure which ever came first. As long as we maintain the property and pay the taxes.

We are requesting that the "Forgivable Mortgage" be affective immediately. As opposed to, the typical process of the "Forgivable Mortgage". This will help us with the significant cost of cleanup and liability on the work to be done to the back hillside of these lots.
This will also ease the process and limit confusion with construction and permanent lending.

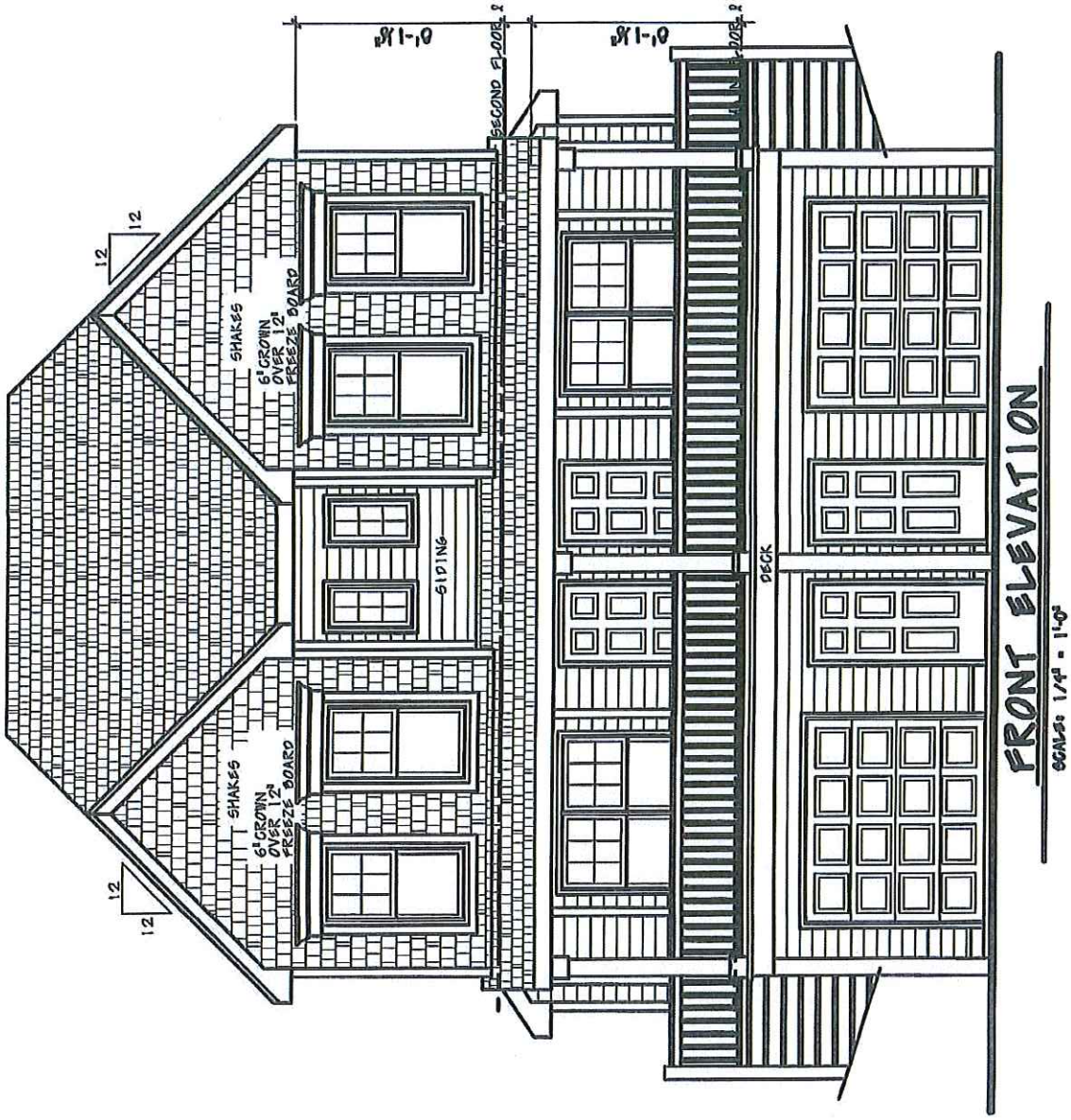
We look forward to working with the city on improving the Park Street properties. We believe that this will be a win-win situation for the City of Council Bluffs, the Historic neighborhood and for us.

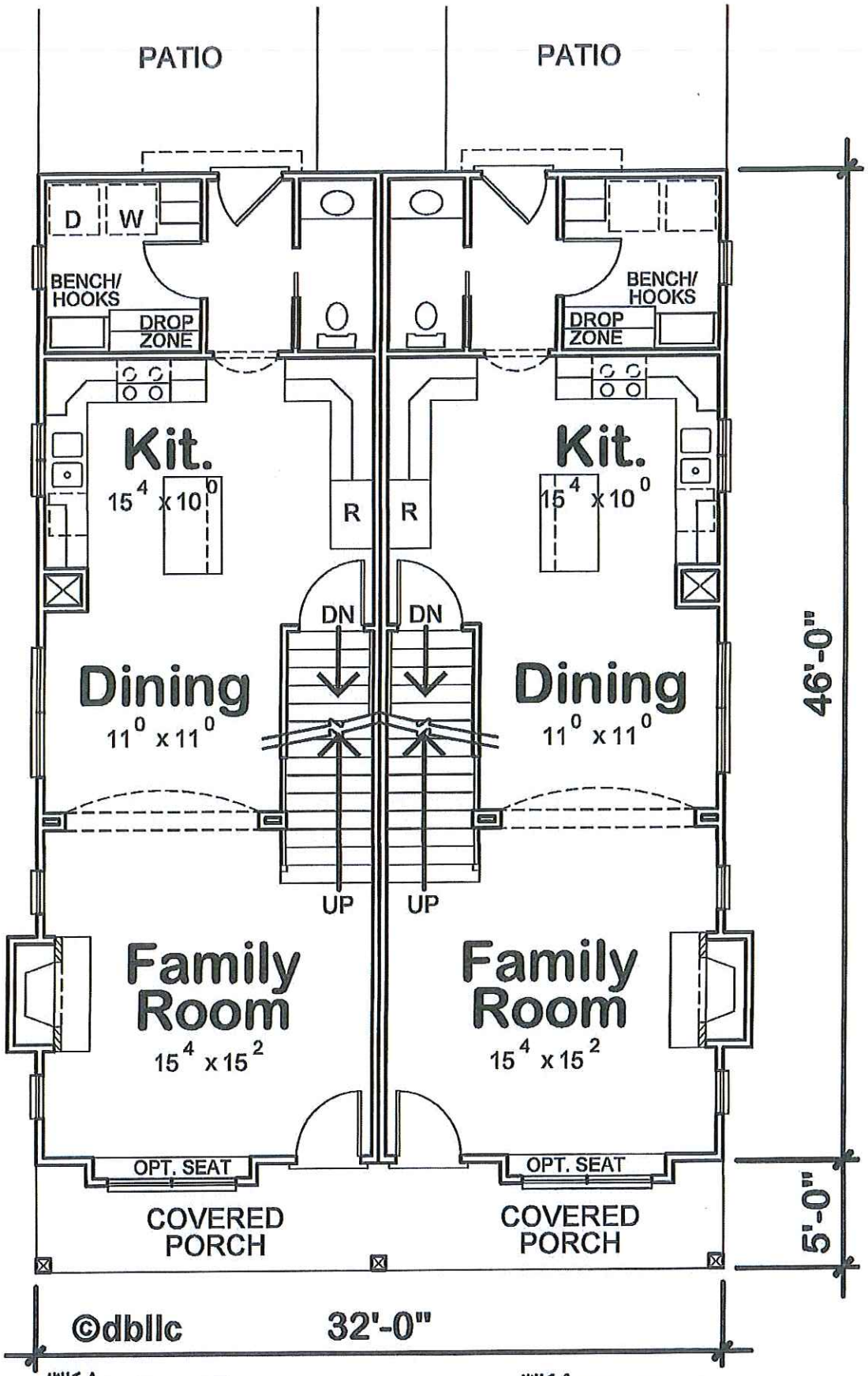
Sincerely,

4/26/19 President

Bryan and Angela Yoder
Yoder Construction Inc.
101 McCandless Ln. Suite A
Council Bluffs, IA 51503

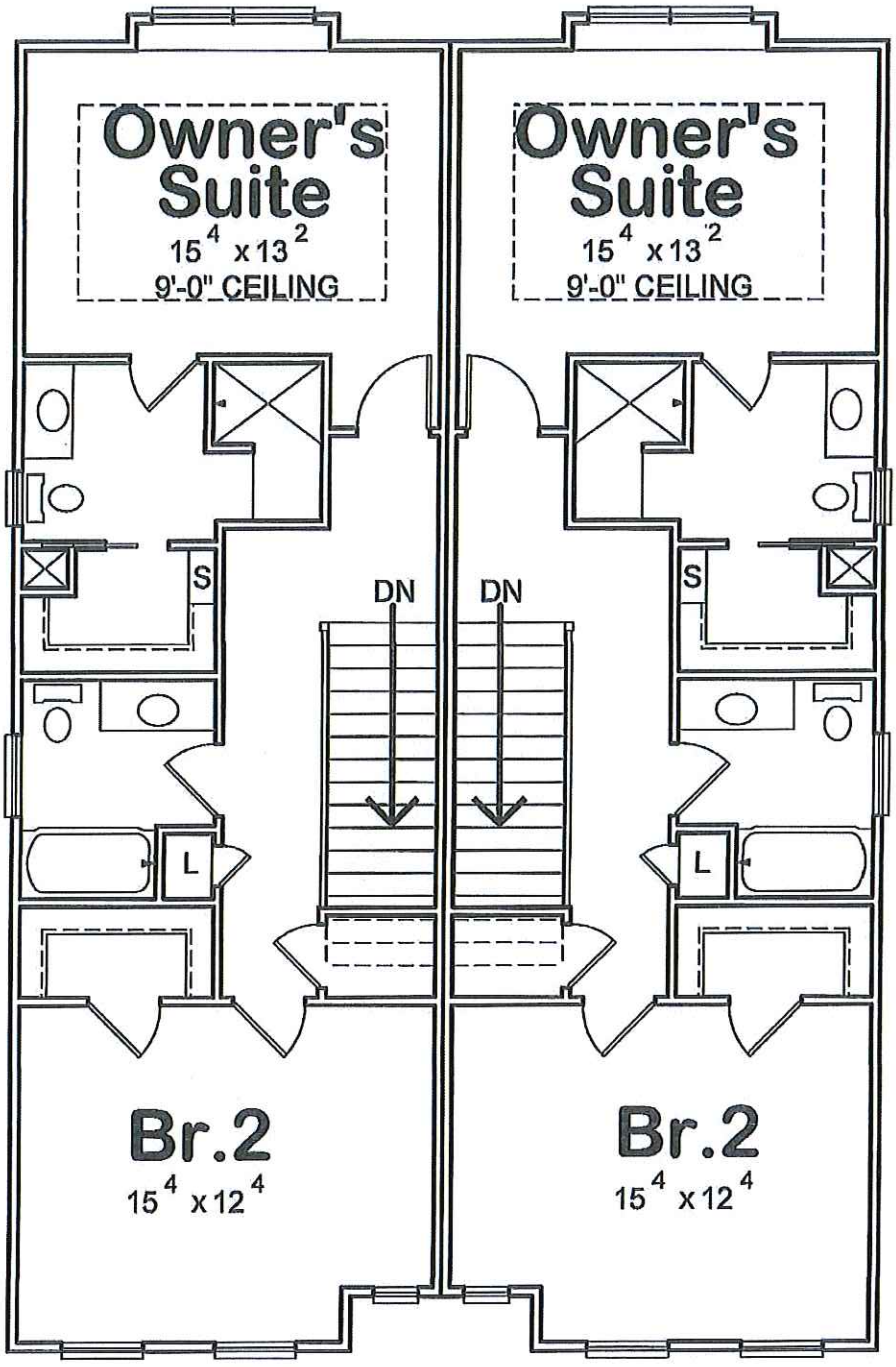
ATTACHMENT C

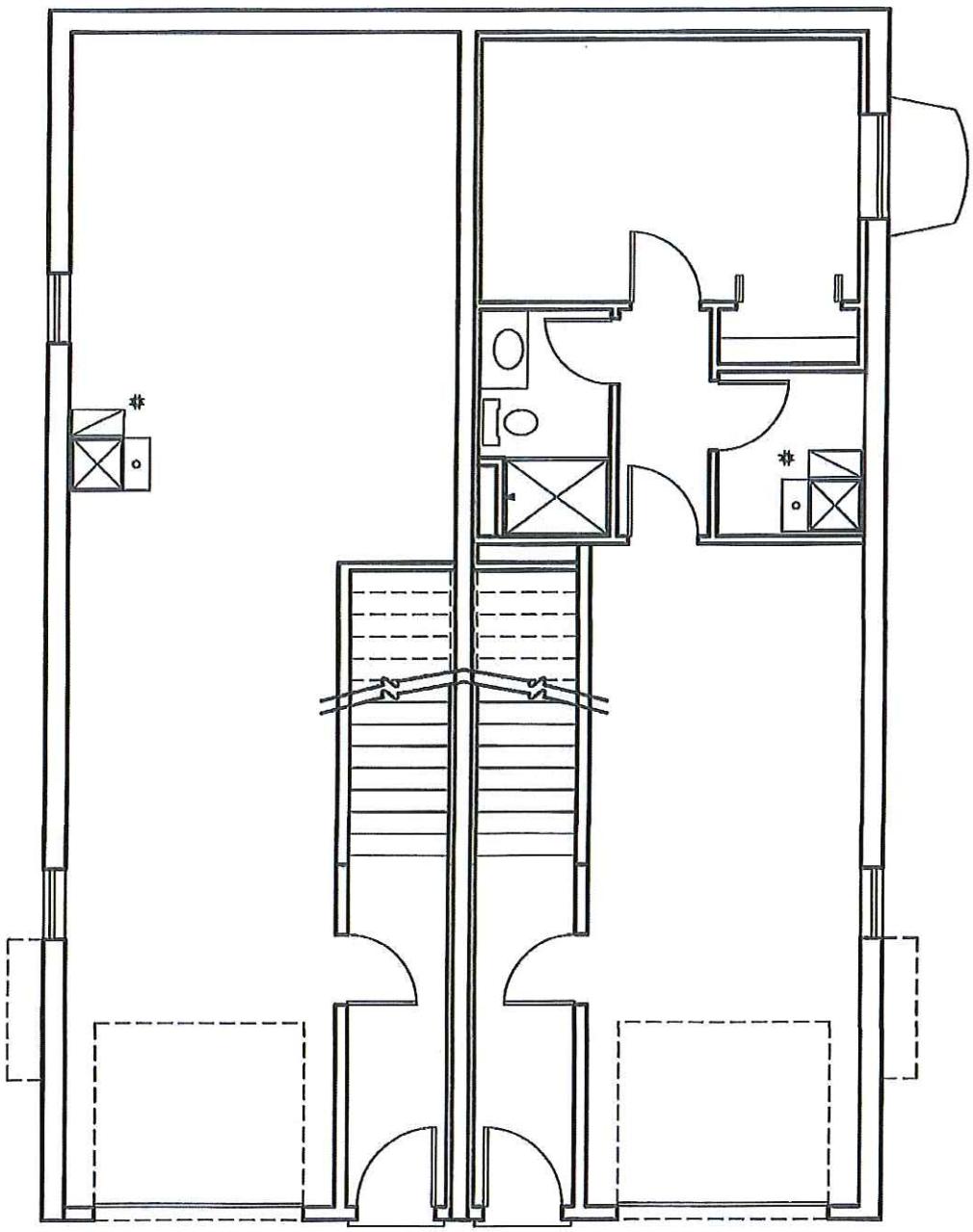




UNIT A	
MAIN LEVEL	744 sf
SECOND LEVEL	749 sf
TOTAL	1493 sf

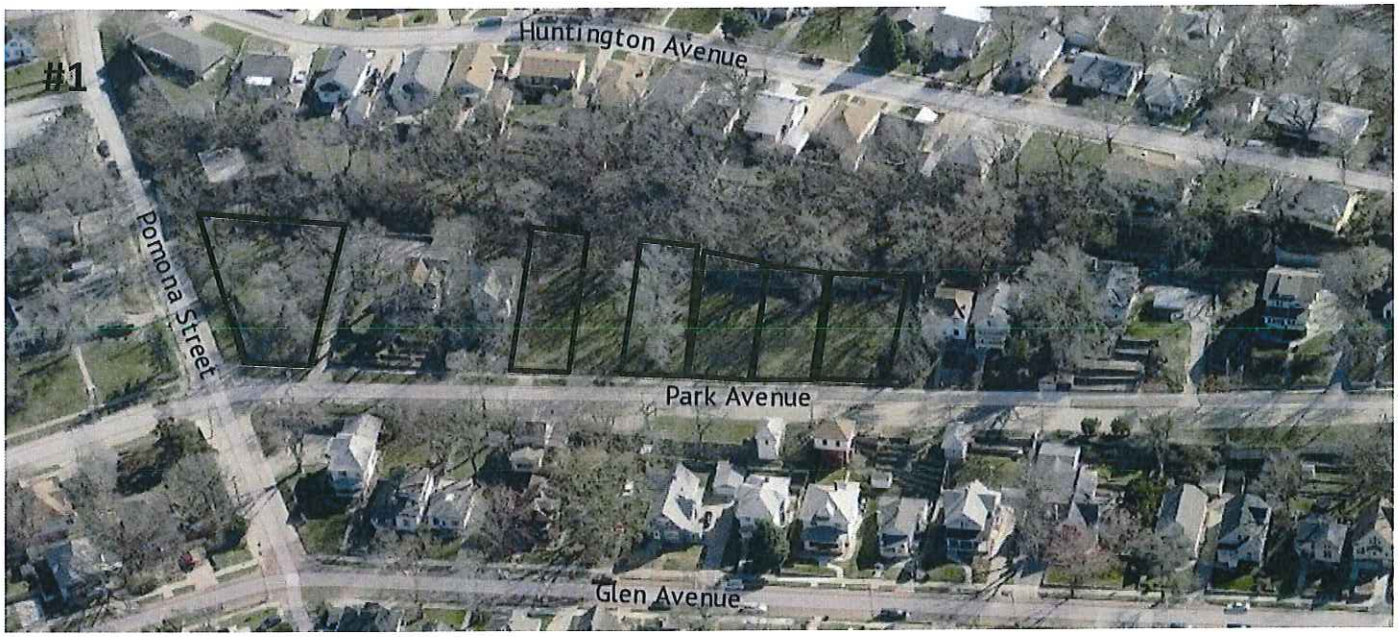
UNIT B	
MAIN LEVEL	744 sf
SECOND LEVEL	749 sf
TOTAL	1493 sf


Owner's Suite
15 4 x 13 2
9'-0" CEILING
Owner's Suite
15 4 x 13 2
9'-0" CEILING
S
DN
DN
S
L
L
Br.2
15 4 x 12 4
Br.2
15 4 x 12 4



Attachment D:

Site Photos





Legend:

Photo #1: Aerial Photos of subject properties (approximate location outlined in black).

Photo #2: Photo of the property formerly addressed as 401 Park Avenue from the corner of Park Avenue and Pomona Street.

Photo #3: Photo of buildable area of the parcel formerly addressed as 401 Park Avenue (facing West).

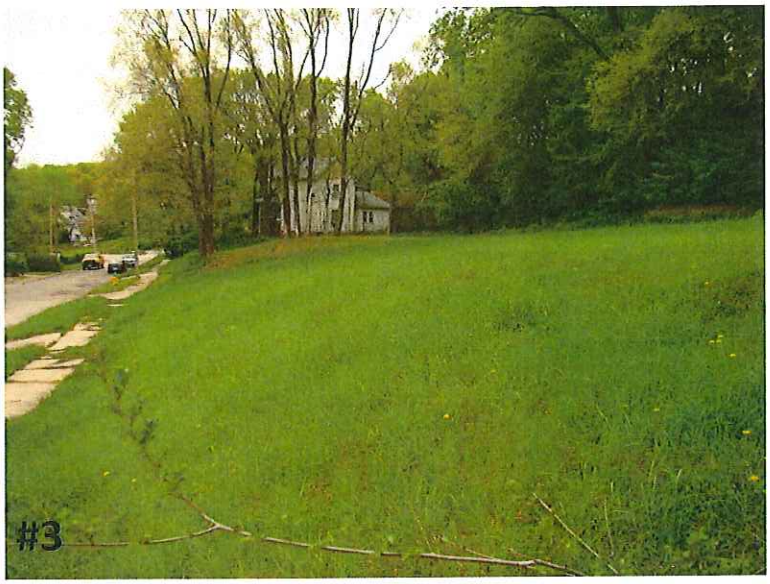
Photo #4: Photo of rear of property formerly addressed as 401 Park Avenue (facing East).











Legend:

Photo #1: View of Park Avenue properties (facing South)

Photo #2: View of Park Avenue Lots (facing South)

Photo #3: Slope of the hill on the front of the Park Avenue Lots (facing North)

Photo #4: Photo of the rear of the Park Avenue properties (facing Northeast)

Photo #5: Rear slope of the rear Park Avenue properties (facing East)



