Council Communication

Department: Community Development CASE #OTB-19-011 #OTB-19-012 #OTB-19-013 Applicant: Joseph McKenzie, Jr. 5061 S. 135th Street, #5308 Omaha, NE 68137	Resolution to Dispose No. _____	Public Hearing: 6/24/2019

Subject/Title

Request of Joseph McKenzie, Jr. to purchase three separate City-owned parcels that are legally described as Lots 8-10, Block 2, Oak Grove Addition, Lots 3-5, Block 3, Oak Grove Addition, and Lots 6-8, Block 3, Oak Grove Addition, all in the City of Council Bluffs, Pottawattamie County, Iowa.

Former Address: 1123 Madison Avenue

Background/Discussion

The City has received an offer to purchase the above described properties which are currently classified as 'transitional dispose', and when combined would all be considered buildable. According to the adopted policy of April 23, 2018, the properties should be priced at the most recent assessed value, as is shown below:

Case Number	Legal Description	Last Assessed Value	Submitted Down Payment
OTB-19-011	Lots 8-10, Block 2, Oak Grove Addition	$7,265	$726.50
OTB-19-012	Lots 3-5, Block 3, Oak Grove Addition	$1,556	$155.60
OTB-19-013	Lots 6-8, Block 3, Oak Grove Addition	$21,966	$2,196.60

The applicant wishes to acquire the lots to construct a new residential dwelling. To accomplish this, the applicant has submitted an application to vacate the section of Lindberg Drive adjacent to the subject properties (See Case #SAV-19-005), and if the sale of the properties and the vacation of Lindberg Drive is approved, the applicant will replat the entirety of the land into one lot. The replatting will be required to ensure all platted lots have frontage to a publically dedicated roadway. With the proposed vacation of Lindberg Drive, four previously platted lots would be losing direct access. The proposed final plat will combine the nine previously platted lots and the vacated right-of-way of Lindberg Drive into one lot with frontage on to Madison Avenue. The applicant has proposed to access the property using the existing driveway located within the current Lindberg Drive right-of-way.

The following costs have been incurred on the subject properties:
Permits and Inspections Division: $ 6,360.00- Demolition
Permits and Inspections Division: $16,026.00- Legal Fees

Total $22,386.75

The applicant is requesting that the properties be purchased using a forgivable mortgage. The subject properties have been owned by the City of Council Bluffs since June 7, 2010, and are eligible for a forgivable mortgage as they have been owned by the City for greater than 24 months. If approved, the remaining balance beyond the required 10% down payment for the properties would be forgiven with the issuance of a Certificate of Occupancy for the proposed home.

Recommendation

The Community Development Department recommends disposing of the above described properties to Joseph McKenzie, Jr. subject to the following conditions:

1. The applicant will be required to execute a final plat to combine the above described parcels, as well as the section of Lindberg Drive that is proposed to be vacated and purchased by the applicant into one legally described parcel. The applicant shall execute the final plat within one year of date of the decision of the City Council. No permits will be issued for the parcel until the execution of the final plat.
2. The purchase price for each property shall be the value last established by the Pottawattamie County Assessor, with the remaining balance beyond the submitted down payment being forgiven for each lot upon issuance of a Certificate of Occupancy for a constructed home on the parcel established by the above mentioned final plat. The home shall be constructed within two years of the date of decision of the City Council.

Attachment A: Case map

Prepared By: Chris Meeks, Planner, Community Development Department