Council Communication

Department: Community Development CASE #OTB-19-015 Applicant: NeighborWorks Home Solutions Attn: David Hazelwood 222 S. 6th Street Council Bluffs, IA 51501	Resolution of Intent No. _____ Resolution to Dispose No. _____	Set Public Hearing: 8/12/2019 Public Hearing: 8/26/2019

Subject/Title

Request of NeighborWorks Home Solutions, represented by David Hazelwood, to purchase property described as Lots 3 and 4, Block 5, Van Brunt and Rice's Addition, City of Council Bluffs, Pottawattamie County, Iowa. The property was formerly addressed as 2007 6th Avenue.

Background/Discussion

The City has received an offer to purchase the property described above. The property is classified as 'transitional dispose' and 'buildable'. The applicant wishes to acquire the lot to construct a new affordable residential dwelling in the next 3 to 4 months that would be sold to a homebuyer in the community. According to the adopted policy of April 23, 2018, the property should be priced at the most recent assessed value, which on this property would be $12,159.00. The applicant has submitted a $1,215.90 down payment, and has asked for the entire value of the property to be forgiven using a forgivable mortgage (the applicant is also requesting that the down payment be refunded). The property is eligible for a forgivable mortgage as it has been on the City Property Disposal list for greater than 24 months.

The following costs have been incurred on this property:

Permits and Inspections Division:	$19,000.00- Demolition
Total	$19,000.00

The subject property is 60 feet wide by 130 feet deep, and is 7,800 square feet in size, which exceeds all Site Development standards for a property located in the R-2/Two-Family Residential District. The property is large enough to accommodate a residential dwelling, as the applicant has proposed. The property is located in the AH Flood Zone, meaning any new construction must comply with the flood hazard regulations of that zone.

There is a competing offer on this same property that has been assigned the case number of #OTB-19-014. The competing offer is from Susan Kemp who also proposes to construct a single family dwelling on the property. The two offers are currently scheduled to be reviewed at the same public hearing.

Recommendation

The Community Development Department recommends disposal of the property legally described as Lots 3 and 4, Block 5, Van Brunt and Rice's Addition, City of Council Bluffs, Pottawattamie County, Iowa to Neighborworks Home Solutions, subject to the following conditions:

1. The purchase price shall be $12,159.00, with the remaining balance beyond the $1,215.90 submitted down payment being forgiven upon the issuance of a Certificate of Occupancy for a constructed home on the parcel. 2. Closing shall occur on the property within 60 days of the date of decision. The applicant shall have 2 years from the date of decision to construct a home on the property.
Attachment A: Location map **Attachment B:** Letter of Intent
Prepared By: Chris Meeks, Planner, Community Development Department