Council Communication

Department: Community Development CASE #OTB-19-021 Applicant: City of Council Bluffs	Resolution to Dispose No. _____	Public Hearing: 10/7/2019

Subject/Title

Request of the City of Council Bluffs to dispose of surplus city property associated with the former right-of-way of 29th Avenue, a roadway which has been converted to an alleyway. The subject properties are generally described as being a portion of Lot 3, Marian Price Addition; a portion of Lots 9 and 10, Southland Gardens; and a portion of Lots 5 and 6, Block 25, Bayliss 3rd Addition, all in the City of Council Bluffs, Pottawattamie County, Iowa.

Location: South of 2806 S. 7th Street, 2805 S. 8th Street, and 711 28th Avenue

Background/Discussion

In June of 2018, the Iowa Department of Transportation deeded to the City of Council Bluffs a portion of property near the former right-of-way of 29th Avenue, which was previously acquired by the Iowa DOT to accommodate the Interstate 80/Interstate 35 Interstate project. It was determined by the Community Development Department, Public Works Department, and City Owned Property Committee that the best course of action to dispose of these surplus properties would be to offer them to adjacent property owners in a manner that would correct any nonconformities, keep lot shapes as uniform in shape as possible, and to allow property owners reasonable use of the acquired property. It was determined that the value for each property should be established using the adopted Street, Alley, and Public Ground Vacation schedule. Since none of the properties are exclusively buildable, the City Owned Property Committee has proposed to sell the properties to adjacent property owners using a forgivable mortgage, requiring an initial 10% down payment with the remaining value being forgiven after 2 years of satisfactory maintenance of the property.

The following adjacent property owners were offered the opportunity to purchase a section of the surplus property:

- Edward M. and Sheri L. Hotz, owners of the property addressed as 2805 S. 8th Street, stated they are willing to purchase the property generally described as a portion of Lots 5 and 6, Block 25, Bayliss 3rd Addition (as shown on Attachment B). The property contains 2,549 square feet, with a total land value established at $412.35.
- Michael P. and Nancy Brooks, owners of the property addressed as 711 28th Avenue, stated they are willing to purchase the property generally described as a portion of Lots 9 and 10, Southland Gardens (as shown on Attachment C). The property contains 2,150 square feet, with a total land value established at $352.50.
- Travis B. and Ashley Gulick, owners of the property addressed as 2806 S. 7th Street, stated they are willing to purchase the property generally described as a Portion of Lot 3, Marian Price Addition (as shown on Attachment D). The property contains 3,150 square feet, with a total land value established at $502.50.

Recommendation

The Community Development Department recommends disposing of the above described properties subject to the following conditions:

1. Edward M. and Sheri L. Hotz, owners of the property addressed as 2805 S. 8th Street, and legally described as Lots 3 and 4, Block 25, Bayliss 3rd Addition, shall receive the property generally described as a portion of Lots 5 and 6, Block 25, Bayliss 3rd Addition (as shown on Attachment B). The purchase price shall be $412.35, with costs beyond a $41.26 down payment being forgiven after 2 years of satisfactory maintenance.
2. Michael P. and Nancy Brooks, owners of the property addressed as 711 28th Avenue and legally described as Lot 2, Block 4, Day's South Side Addition, shall receive the property generally described as a portion of Lots 9 and 10, Southland Gardens (as shown on Attachment C). The purchase price shall be $352.50, with costs beyond a $35.25 down payment being forgiven after 2 years of satisfactory maintenance.
3. Travis B. and Ashley Gulick, owners of the property addressed as 2806 S. 7th Street, and legally described as Lot 2, Marian Price Addition, shall receive the property generally described as a Portion of Lot 3, Marian Price Addition (as shown on Attachment D). The purchase price shall be $502.50, with costs beyond a down payment of $50.25 being forgiven after 2 years of satisfactory maintenance.
4. Closing on the properties shall occur within 60 days of the date of approval.
5. Property owners shall sign an agreement not to sell the newly acquired properties separately from the properties they currently own without prior approval from the Community Development Department of the City of Council Bluffs.

Attachment A: Case map
Attachment B: Survey of Property adjacent to 2805 S. 8th Street
Attachment C: Survey of Property adjacent to 711 28th Avenue
Attachment D: Survey of Property adjacent to 2806 S. 7th Street

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