Council Communication

Department: Community Development CASE #OTB-20-009 Applicant: Josephine Garrison 1812 Pueblo Road Council Bluffs, IA 51501	Resolution to Dispose No. _____	Public Hearing: 7/27/2020

Subject/Title

Request of Josephine Garrison to purchase three separate properties legally described as Lot 5 excluding the East 8.6 feet thereof, the East half of Lot 6, and the West 44 feet of Lot 12, all in Block 8, Mynster's Addition, City of Council Bluffs, Pottawattamie County, Iowa. The properties are generally addressed as 617 Mill Street, 619 Mill Street, and 618 West Washington Avenue.

Background/Discussion

The City has received an offer to purchase the properties described above. The properties are classified as 'transitional dispose' and 'buildable'. The applicant wishes to acquire the lots to place a manufactured home on the property to be used as their personal dwelling. According to the adopted Inventory and Disposal Policy for Surplus City Property of April 23, 2018, the property should be priced at the most recent assessed value, with all three lot having a cumulative assessed value of $20,928.00. The applicant has offered a total value of $21,000.00 and have submitted a down payment of $2,100.00.

The applicant has requested that the remaining value beyond the $2,100.00 down payment be forgiven with the final certificate of occupancy on the home within one year. As is stated in the adopted Inventory and Disposal Policy for Surplus City Policy, any property that has been listed on the Disposal list for greater than 24 months is eligible to be sold using a forgivable mortgage. Because these properties were acquired by the City of Council Bluffs between May and July of 2010, the properties would be eligible for a forgivable mortgage.

The following Costs have been submitted by City Departments:

617 Mill Street:	
Permits and Inspections Division:	$ 2,196.66
619 Mill Street:	
Permits and Inspections Division:	$ 8,682.78
618 West Washington Avenue:	
Permits and Inspections Division:	$13,129.00
Total:	**$24,008.44**

The properties generally addressed as 617 Mill Street and 618 West Washington Ave do not individually meet the minimum size requirement of 5,000 square feet for a single-family residential property zoned R-3/Low Density Multifamily Residential District. All three properties are existing lots of record; however, only two of the three have sufficient dimensions to exclusively accommodate single-family dwellings. The property addressed as 619 Mill Street is only 25 feet in width, and therefore would not be able to exclusively accommodate the 20 foot minimum dwelling width and the

5 foot interior side yard setbacks on each side of the house, though would be buildable if combined with an adjacent parcel. If any two of the parcels are combined, all site development standards could be met for a single family dwelling in the R-3 District. Staff has included the recommendation that the applicant sign an agreement to combine Lot 5 excluding the East 8.6 feet thereof, the East half of Lot 6, Block 8, Mynster's Addition, and to not sell these properties separately without City permission to ensure that the East half of Lot 6 not be sold for the purpose of standalone development in the future, as there would not be enough space to adequately meet all required setbacks for a single family dwelling. Staff would consider allow a portion of the property to be sold to a neighboring property owner via a lot line adjustment assuming all site development standards and setbacks would remain in compliance. Staff will not require Lot 12, Block 8, Mynster's Addition to be included in this agreement, as it currently would support standalone development.

Per the adopted Inventory and Disposal Policy for Surplus City Policy, the City of Council Bluffs has the option to amend any offer to purchase surplus City property to offer a portion of property to an adjacent property owner if it were to correct any nonconformities in regards to building setbacks or lot size. The property located West of the subject properties, addressed as 621 Mill Street is only 25 feet in width and would therefore not be exclusively buildable. Staff has offered the owner of 621 Mill Street the opportunity to purchase a portion of the adjacent property to bring the lot closer to compliance with current R-3 District site development standards, and in order to ensure a new home could be constructed upon if the existing structure were to damaged or destroyed to greater than 50% of the last appraised value. At the time of this report, a response has not been received, therefore the applicant would be eligible to receive the entirety of the subject parcels.

Recommendation

The Community Development Department recommends disposal of the property legally described as Lot 5 excluding the East 8.6 feet thereof, the East half of Lot 6, and the West 44 feet of Lot 12, all in Block 8, Mynster's Addition, City of Council Bluffs, Pottawattamie County, Iowa to Josephine Garrison to allow her to construct a home on the property, subject to the following conditions:

1. The purchase price shall be $21,000.00, with the remaining balance beyond the submitted $2,100.00 down payment being forgiven by the City of Council Bluffs upon issuance of a Certificate of Occupancy for a completed home within 12 Months of the approval date. Closing and the property closing must occur within 60 days of the date of approval. An extension of time to complete the new home construction may be granted by the City Council if requested prior to the expiration of the 12 month timeframe stated above.
2. The applicant shall sign an agreement to combine Lot 5 excluding the East 8.6 feet thereof, the East half of Lot 6, Block 8, Mynster's Addition, and to not sell these properties separately without City permission.

Attachment A: Location map

Prepared By: Chris Meeks, Planner, Community Development Department