Council Communication

Department: Community Development CASE #OTB-20-011 Applicant: MAC Investments, Inc. 32 Scott Street Council Bluffs, IA 51503	Resolution of Intent No. _____ Resolution to Dispose No. _____	Set Public Hearing: 8/10/2020 Public Hearing: 8/24/2020

Subject/Title

Request of the City of Council Bluffs to sell the property described as The West 24 Feet of Lot 4, Block 17, Beer's Addition, City of Council Bluffs, Pottawattamie County, Iowa to MAC Investments Inc. The property is generally addressed as 1123 4th Avenue

Background/Discussion

The subject City Owned property was previously approved for sale to the former owner of the property addressed as 1127 4th Avenue (Lot 5, Block 17, Beer's Addition) with Resolution #16-178. In July of 2019, the previous owner informed City staff that the home would be foreclosed upon, and it was their intention to sell the then former City Owned property to the neighboring property at 1113 4th Avenue. Having signed an agreement to not sell the subject City-owned property separately from the property they already owned, the previous owner was required to obtain City approval to separate the former City-owned property from the property which contained the house she was relinquishing ownership of. The City denied this request to sell the property separately, as it was a benefit to the future owner of 1127 4th Avenue to have the additional yard space for future redevelopment or an off-street parking area for the existing house, and instead the City offered to take ownership of the subject property. The former owner of 1127 4th Avenue agreed, and ownership was transferred back to the City of Council Bluffs.

In a letter dated June 16, 2020, the City sent a letter to MAC Investments, the new owners of the home addressed as 1127 4th Avenue, to offer them the opportunity to purchase the subject City Owned property. In response to the letter, MAC Investments expressed interest in acquiring said property, and the process to sell the property to them was initiated.

The subject property is 24 feet wide by 100 feet deep, and is 2,400 square feet in size. The subject property is not exclusively buildable, as the 24 foot width would not accommodate a dwelling (as defined in Section 15.03.230 of the Municipal Code as being at least 500 square feet and 20 feet in width) while also meeting the required side-yard setbacks. If combined with the adjacent property, it would be buildable and could be used for off-street parking or the future expansion of the home on subject property, or the construction of a new home in the future.

As is stated in the adopted Inventory and Disposal Policy for Surplus City Policy, non-buildable surplus property shall be priced at the value established using the fee schedule for street/alley vacations. At 2,400 square feet, the value established for this parcel is $390.00. Because the property was sold to the previous owner with a forgivable mortgage, Staff extended this same offer to MAC Investments. Staff offered that the mortgage could be forgiven after two years of satisfactory maintenance of the property, OR with the paving of an ordinance-approved concrete or asphalt off-

street parking area, as the subject City Owned property currently contains a gravel parking pad, which is not permitted by today's ordinance.

No costs on the subject property have been submitted by City Departments since the property was reacquired by the City.

Recommendation

The Community Development Department recommends setting a public hearing on the disposal of the property legally described as The West 24 Feet of Lot 4, Block 17, Beer's Addition, City of Council Bluffs, Pottawattamie County, Iowa on the August 24, 2020 City Council Meeting.

Attachment A: Location map
Attachment B: June 16, 2020 Letter to MAC Investments from City Staff

Prepared By: Chris Meeks, Planner, Community Development Department