Council Communication

Department: Community Development CASES #OTB-21-003 Applicant: New Community Development Corp. d/b/a NeighborWorks Home Solutions 222 S. 6th Street Council Bluffs, IA 51501	Reso. of Intent No. _____ Reso. to Dispose No. _____	Set Public Hearing: 3/22/2021 Public Hearing: 4/12/2021

Subject/Title

Request of New Community Development Corporation d/b/a NeighborWorks Home Solutions, represented by David Hazelwood, to purchase property legally described as the South 58 feet of Lot 47, Johnsons Addition, City of Council Bluffs, Pottawattamie County, Iowa. Location: Property formerly addressed as 315 Benton Street.

Background/Discussion

The Community Development Department has received an offer from New Community Development Corporation d/b/a NeighborWorks Home Solutions to purchase surplus city-owned property legally described as the South 58 feet of Lot 47, Johnsons Addition, City of Council Bluffs, Pottawattamie County, Iowa. The subject property is zoned R-2/Two-Family Residential District and is classified as 'transitional dispose' and 'buildable'. The applicant proposes to acquire the property in addition to the city-owned property to the north (formerly addressed as 319 Benton Street, Case #OTB-21-004) to build one new affordable single-family dwelling in the next 4 months that would be sold to a homebuyer in the community. The applicant will need to execute a parcel combination with Pottawattamie County to combine both properties. According to the adopted Inventory and Disposal Policy for Surplus City Property ("the Policy"), dated April 23, 2018, the subject property should be priced at its most recent assessed land value, which is $16,777.00

The applicant has submitted the required 10% down payment ($1,677.70) along with a $50.00 application fee. They have requested the remaining land value beyond the 10% down payment ($15,099.30) be waived using a forgivable mortgage. According to the adopted Policy any property that has been placed on the Disposal list greater than 12 months is eligible to be sold to a non-profit homebuilder using a forgivable mortgage. This property was acquired by the City of Council Bluffs on January 19, 2010 via 657A and is eligible for a forgivable mortgage.

The City has incurred a total of $10,995.00 in retaining wall and sidewalk project costs for the subject property and the city-owned property to the north (formerly addressed as 319 Benton Street, Case #OTB-21-004) and $15,510.31 in Building Division costs for a total of $26,505.31.

The subject property measures 58'x 120' (6,960 square feet) and meets the minimum lot size requirements for the R-2 District. The applicant's intent is to complete a parcel combination with the adjacent 3,840 square foot property to the north, which will result in a larger property that meets the minimum lot size

requirements for the R-2 District and has conforming lot dimensions to accommodate the proposed residential dwelling.

Recommendation

The Community Development Department recommends disposal of the property legally described the South 58 feet of Lot 47, Johnsons Addition, City of Council Bluffs, Pottawattamie County, Iowa, subject to the following conditions:

1. The purchase price shall be $16,777.00, with the remaining balance beyond the $1,677.70 submitted down payment being forgiven upon issuance of a Certificate of Occupancy for a residential dwelling on the parcel; and
2. The applicant shall close on the subject property within 60 days of the date of Council's decision, and shall have two years from the date of their decision to construct a residential dwelling on the property; and
3. The applicant shall complete a parcel combination with the adjacent 3,840 square foot property to the north prior to issuance of a building permit. At no point in time in the future shall the property be sold separately.

Attachments

Attachment A: Location/Zoning Map
Attachment B: Letter of Intent
Attachment C: Proposed Home Rendering and Floor Plan

Prepared by: Haley Weber, Planner, Community Development Department