

June 2, 2014

To: Mayor Bemrich and City Council
From: David Fierke, City Manager
Subject: Release of Terms of SWD
Jim and Gwen Gottschalk
1256 7th Avenue North



ACTION: For Vote Monday, June 9, 2014

Brief History

In November of 2011 the City sold the property at 1256 7th Avenue North to James Allon Gottschalk through developmental bid. Terms of the special warranty deed required that the house be redeveloped and brought into conformance with all currently adopted City Codes within one year of transfer. In addition, the deed required the property to be owner-occupied for a minimum of one year following the redevelopment.

In June of 2013, the City Council approved an extension until October 1, 2013 for the completion of the terms. On October 21, 2013, the property was inspected and was found to be in conformance with all currently adopted City Codes. However, Water Department records indicate the property was not owner-occupied by the developer for a one-year period as the original redevelopment proposal stated.

Analysis of Issue

The redevelopment of the property has been complete, however the requirement that the property be owner-occupied by the developer for a minimum of one year has not been met. The Special Warranty Deed states the property can revert back to the City if the terms are not met within the required timeframe. The developer is requesting that the terms of the Special Warranty Deed be released in order to allow them to sell the property.

Budget Impact

There is no budget impact.

Strategic Plan Impact

Policy D.6.6: Incentives may be provided for infill development and the rehabilitation of existing housing already provided with urban services to acknowledge the lower service and infrastructure costs to the taxpayer. However, development requiring the expansion of services and infrastructure may be required to assist in the cost of such service expansions.

Existing Plan Impact

Consistent with Envision 2030 Plan.

Subcommittee or Commission Review / Recommendation

None

Staff Conclusions / Recommendations

Staff recommends the approval of the release of the terms of the Special Warranty Deed, acknowledging that the requirement for the property to be owner-occupied by the developer for a minimum of one year has not been met.

Alternatives

The only alternative would be to not release the terms of the Special Warranty Deed and have the property revert back to the City, which is not recommended.

Implementation and Accountability

If approved, staff of the Department of Business Affairs and Community Growth will record the release of the terms of the Special Warranty Deed.

Signed



Vickie L. Reeck,
Community Development Manager

Approved

David R. Fierke, City Manager

RESOLUTION NO. _____

**RESOLUTION APPROVING RELEASE OF THE TERMS OF
A SPECIAL WARRANTY DEED**

WHEREAS, the following property was sold in November of 2011 by developmental bid to James Allon Gottschalk:

- The East 35 feet of Lot “J” of County Auditor’s Sub-Division of part of the NW ¼ of Section 20-89-28, West of the 5th P.M., Webster County, Iowa (1256 7th Avenue North);

WHEREAS, terms of the Special Warranty Deed required that the property be redeveloped, brought into conformance with all City Codes within one year of transfer and be owner occupied by the developer for a minimum of one year; and,

WHEREAS, all work has been completed and the property has been found to be in compliance with all City Codes; and,

WHEREAS, the requirement that the property be owner-occupied by the developer for a minimum of one year has not been met.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT DODGE, IOWA, that the City Council acknowledges compliance with the term requiring the redevelopment of the property and waives the term requiring the property to be owner-occupied by the developer for a minimum of one year.

Be it further resolved, that the City Council of the City of Fort Dodge waives any right to have the property revert back to the City of Fort Dodge and releases the terms of the Special Warranty Deed.

PASSED AND APPROVED this _____ day of _____, 2014.

AYES: _____
NAYS: _____
OTHER: _____

CITY OF FORT DODGE, IOWA

By: _____
Matt Bemrich, Mayor

ATTEST:

Jeff Nemmers, City Clerk

STATE OF IOWA, WEBSTER COUNTY, ss:
On this _____ day of _____, 2014 before me, the undersigned, a Notary Public in and for said State, personally appeared Matt Bemrich and Jeff Nemmers to me personally known, who being by me duly sworn, did say that they are the Mayor and City Clerk respectively, of said corporation; that the seal affixed thereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its City Council; and that the said Mayor and City Clerk as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

Notary Public



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