



City Hall, 215 Sycamore St.
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COMMUNITY DEVELOPMENT

Planning,
Zoning,
Building Safety,
Construction Inspection Services,
Public Health,
Housing Inspections,
Code Enforcement

MEMORANDUM

To: Mayor and City Council Members
From: Andrew Fangman, City Planner
Cc: Gregg Mandsager, City Administrator
Dave Gobin, Community Development Director
Date: January 3, 2019
Re:

- Request for Approval of a Purchase Agreement Regarding the Sale of Surplus City Property (614 Mulberry Avenue)
- Resolution Authorizing the Sale of and Executing a Deed of Surplus City Property (614 Mulberry Avenue)

The City of Muscatine has accumulated a number of parcels of land for which the continued public ownership of no longer serves any useful purpose. In order to return these parcels to a useful purpose, restore them to the tax roll, and to reduce maintenance costs associated with these parcels to the City, the City Council has previously declared a number of City owned parcel as surplus and directed City Staff to actively seek the sale of these surplus properties.

City Staff has negotiated a purchase agreement with Rebuilding Together Muscatine County for the purchase of 614 Mulberry, a property no longer used by the City which last house the Safe Streets office. The City is proposing to sell this property to Rebuilding Together Muscatine County at deeply discounted price, in exchange for a binding commitment from Rebuilding Together Muscatine County to within a year renovate this structure into a single family home.

This surplus parcel is 965 square feet in size and contains a 740 square foot structure that was originally constructed as a home in 1900 and which was converted into office space by the City of Muscatine in 1996.

This property was donated to this City of Muscatine in 1996. After conversion to office space it was used a number of community purposes, most recently serving as home to Safe Streets. The building has been vacant since late 2017. The City has no current or future use for this property. On June 22, 2018 put out a request for proposal for the sale and reuse of this building. No responses to the request for proposal were received by the August 1, 2018 deadline. City staff subsequently negotiated the attached purchase agreement with Rebuilding Together Muscatine County.

A purchase price of \$259 has been negotiated. The cost to the City of processing the sale of a surplus property is \$250. As such a sale price of \$250 was established to ensure the cost to the City of completing this transaction does not exceed its sale price. Selling this surplus property

to Rebuilding Together Muscatine County at this discounted price will benefit the community in the in the following manner

Providing this property Rebuilding Together Muscatine County this price is a concrete step that the City can take towards the critical goal increasing the supply of high-quality affordable homes. As Rebuilding Together Muscatine County is a non-profit the savings on land acquisition costs that they would realize under this proposed purchase agreement will directly go towards providing affordable housing. Additionally, the purchase agreement requires that any proceeds from the future sale of the property shall only be used by the Rebuilding Together to cover the costs of remodeling the existing structure on the property into a single-family residence and to support the operation of Rebuilding Together Muscatine County. City would also financially benefit from no longer having to maintain this property and to have it returned to the tax rolls.

It is in the best of the community for the to be returned to productive use in a timely manner, as such this purchase agreement commits Rebuilding Together Muscatine County to start work on remodeling the existing structure into a single family dwelling within one year of the completion of this transaction. If construction does not begin with a year, Rebuilding Together Muscatine County would be required to deed the property back to the City at no cost. This agreement contains also mechanism by which this one-year deadline to begin construction can be extend by mutual extent.

If City Council approves this purchase agreement, it will then be asked to act, at the same meeting on the attached Resolution executing the purchase agreement and deeding this property to Rebuilding Together Muscatine County.

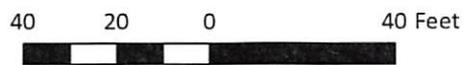
Supporting Documents

1. Map
2. Purchase Agreement
3. Resolution Authorizing the Sale of and Executing a Deed of Surplus City Property
4. Deed
5. Certificate



Legend

- Surplus City Parcel
- Parcel Lines



Date Source: Muscatine Area Geographic Information Consortium and City of Muscatine
 Prepared by: Andrew Fangman, City Planner
 Date: December 27, 2018

Prepared by: Andrew Fangman, 215 Sycamore Street, Muscatine, IA 52761; 563.262.4141
Return and Tax Statement to: Rebuilding Together Muscatine County Incorporated, 1424B
Houser Street, Muscatine, IA 52761

WARRANTY DEED

The City of Muscatine, Iowa, a municipal corporation situated in Muscatine County, Iowa, for valuable consideration, transfers and conveys to Rebuilding Together Muscatine County Incorporated all its right, title, and interest in the following real property in Muscatine County, Iowa:

A part of Lot Six (6) in Block One Hundred Eighteen (118) of the City of Muscatine, Iowa, particularly described as follows: Beginning at the Northeasterly corner of said Lot 6, the intersection of the Westerly line of Mulberry Avenue and the Southerly line of Seventh Street; thence South 37° 52'31" East a distance of 24.76 feet; thence South 52°12'43" West a distance of 39.26 feet; thence North 38°50'39" West to the North line of said Lot 6, abutting along the Easterly line of a certain tract conveyed to Pauline E. Maguire by Warranty Deed dated July 18, 1974, filed for record July 19, 1974, and recorded in Book 266 of Lots, page 214, of the records of Muscatine County, Iowa; thence North 51°59" East to the point of beginning.

Exempt from transfer tax per Iowa Code Section 428A.2(21).

The City covenants with the grantee, its successors and assigns, to warrant and defend the real property against the lawful claims of all persons claiming by, through, or under the City.

IN WITNESS WHEREOF, the City of Muscatine, Iowa, has caused this instrument to be executed in its corporate name by its Mayor and City Clerk and its seal to be affixed on January 3, 2019.

CITY OF MUSCATINE, IOWA

(CITY SEAL)

By _____
Diana L. Broderon, Mayor

ATTEST:

Gregg Mandsager
City Clerk

STATE OF IOWA, MUSCATINE COUNTY, ss.

This instrument was acknowledged before me on _____, 2019, by Diana L. Broderon and Gregg Mandsager as Mayor and City Clerk, respectively, of the City of Muscatine, Iowa.

Notary Public in and for the State of Iowa

Prepared by/Return to: Andrew Fangman 215 Sycamore St Muscatine IA 52761 (563) 262-4141

STATE OF IOWA)
) ss:
MUSCATINE COUNTY)

CERTIFICATE

I, Nancy Lueck, Director of Finance of the City of Muscatine, Iowa, certify that true copies of the following documents are attached to this Certificate:

- a. Resolution No. _____ concerning a proposed sale of City property, with Public Notice attached.
- b. Affidavit of Published Notice.
- c. Resolution No. _____ authorizing the sale of City property and approving the attached Deed.
- e. Original Deed.

These documents relate to the vacation and sale of property in the City of Muscatine, Iowa; the Ordinance and Resolutions were duly adopted and approved by the City Council of Muscatine, Iowa; and the originals are on file at City Hall in Muscatine, Iowa.

Nancy Lueck, Director of Finance

Signed and sworn to before me on _____, 2019.

Notary Public in and for the
State of Iowa