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COMMUNITY DEVELOPMENT

MEMORANDUM

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

To: Mayor and City Council Members
Cc: Greg Jenkins, Interim City Administrator
From: Andrew Fangman, Assistant Community Development Director
Date: March 19, 2020
Re: Resolution Declaring Certain Real Property as Surplus— Parcel numbers 1321200012 and 1321100004, Approximately 29.09 acres on 41st Street in Unincorporated Muscatine County

INTRODUCTION: The City has been approached about the possible sale of 29.09 acres of City owned land on 41st Street in unincorporated Muscatine County. Parcel numbers 1321200012 and 1321100004.

BACKGROUND: Muscatine Metals has approached City staff about purchasing 29.09 acres of City owned land on 41st Street in unincorporated Muscatine County, these two contiguous parcels are located on the south side of 41st Street approximately 1,000 feet west of the Stewart Road/41st Street intersection. Muscatine County has zoned the area as I-2 Heavy Industrial District.

Muscatine Metals has expressed a desire to purchase all or a portion of this City owned property and relocate their existing activities to this site from their current locations at 2407 Dick Drake Way and 2405 Grandview Avenue.

In the 1970's the City used these parcels for the disposal of trees killed due to the Dutch Elm Disease. In addition, it also appears that cinders from the Muscatine Power & Water generating station and sludge from the City's Water Pollution Control Plant were buried on this site. The City of Muscatine has not had an active use for these parcels for a number of decades.

Before more due diligence on the impact of the sale of this property and a detailed negotiation with the potential buyer can occur, there are two major things that must occur. First is that council must pass a resolution declaring this property as surplus. This will allow Staff to engage in the negotiation on the terms of a possible sale, and to do the due diligence on the impact of said.

Because these parcels are located in unincorporated Muscatine County, they fall under the jurisdiction of the Muscatine County Zoning Ordinance. The potential buyers proposed use of the property as a scrap yard, is allowed in Muscatine County's I-2 zoning district, but only with the approval of a special use permit by the Muscatine County Board of Adjustment. The

Muscatine County Board of Adjustment makes its ruling on applications for a special use permit after holding a public hearing.

The potential buyer wishes to obtain the required special use permit prior to engaging in detailed negotiation with the City on the sale of the property, reasoning that knowing if his desired use would be permitted needs to happen before time in effort are put into any negotiations on the sale of this property. In order to submit an application for such a special use permit, the County requires the written permission of the property owner, which in the case is the City. The attached resolution setting a public hearing before City Council declaring this property as surplus also contains language that authorizes the submission of an application.

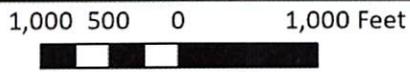
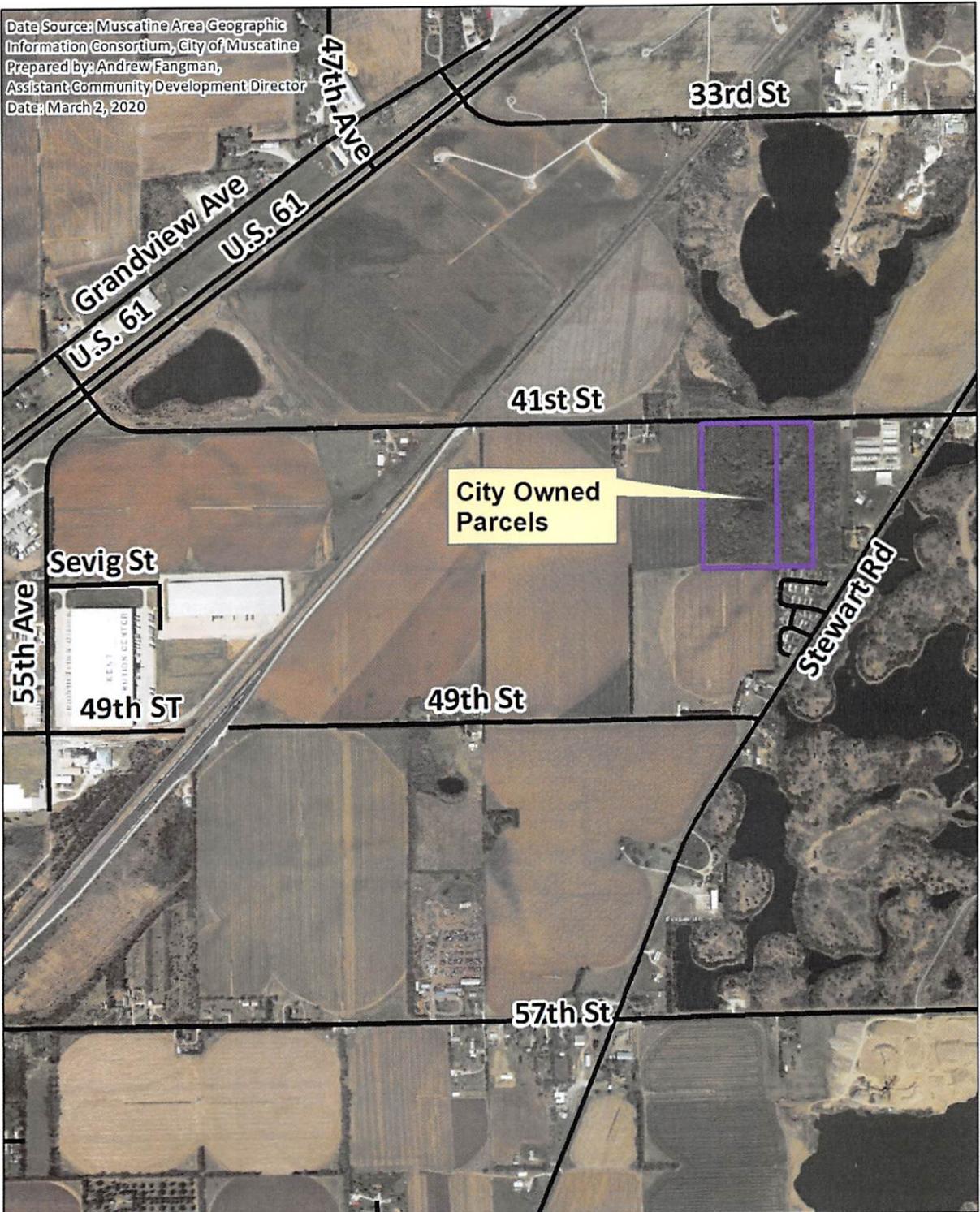
RECOMMENDATION/RATIONALE: Staff recommends approval of the attached resolution. The continued public ownership of these parcels does not serve any continued public interest. The potential relocation of Muscatine Metals to this location could be beneficial to the community. Such a move would open Muscatine Metal's current location on Dick Drake Way and Grandview Avenue for redevelopment that is economically beneficial, while maintaining the presence in the community of Muscatine Metals and giving them room for expansion. Such a sale would also put back on the tax roll land that has not seen productive use in decades.

Approval of this resolution does not commit the City to the sale of this parcel to Muscatine Metals or any other party. It however does permit City Staff to engage in good faith negotiations with Muscatine Metals or any other interested parties. The benefits and impacts, to the City, community as whole, and nearby of the sale of this property to Muscatine Metals would be dependent on the details of a move by Muscatine Metals to this location. Approving this resolution to declare this property surplus, would allow for staff to work with Muscatine Metals or any other potential purchaser to bring a detailed purchase proposal forward for Council's consideration.

BACKUP INFORMATION:

1. Resolution

Date Source: Muscatine Area Geographic Information Consortium, City of Muscatine
Prepared by: Andrew Fangman,
Assistant Community Development Director
Date: March 2, 2020



RESOLUTION NO. _____

A RESOLUTION DECLARING AS SURPLUS AND AUTHORIZING THE DISPOSAL OF SAID CERTAIN REAL ESTATE (PARCEL NUMBERS 1321200012 AND 1321100004, APPROXIMATELY 29.09 ACRES ON 41ST STREET IN UNINCORPORATED MUSCATINE COUNTY)

WHEREAS, the City Council of Muscatine, does hereby declare to be surplus and it to be in the best interest of the public to dispose of the following described real estate, , in Muscatine, Iowa, to-wit;

The east half of the northwest quarter of the northeast quarter of Section 21, Township 76 North, Range 2 west of the 5th P.M. Muscatine County, Iowa (Parcel Number: 1321100004); and

Except for the easterly 350 feet, the west half of the northwest quarter of the northeast quarter of Section 21, Township 76 North, Range 2 west of the 5th P.M. Muscatine County, Iowa (Parcel Number: 1321200012).

NOW, THEREFORE, BE IT RESOLVED, that the City Administrator is hereby authorized and directed to take the necessary steps to dispose of the Property, subject to appropriate action of the City Council as provided by law.

PASSED, APPROVED AND ADOPTED this 19th day of March 2020.

**BY THE CITY COUNCIL OF THE
CITY OF MUSCATINE, IOWA**

Diana L. Broderson, Mayor

Attest:

Greg Jenkins, Interim City Clerk