

**COUNCIL ACTION FORM**

**SUBJECT: SET PUBLIC HEARING DATE FOR SALE OF A PORTION OF THE CITY-OWNED PROPERTY AT 1125 MAXWELL TO DENNIS & DAWN HEABERLIN**

**BACKGROUND:**

CDBG funds were used to purchase the property at 1125 Maxwell in 2015 for \$28,500 as part of the Acquisition/Reuse Program. The property was a foreclosure at the time of its purchase by the City. The City demolished an existing structure and entered into an agreement in 2016 with Habitat for Humanity to purchase the property for \$5,000 and to construct a new home on the property.

The housing construction at 1125 Maxwell Avenue was scheduled to begin at the end of July 2017, however, due to the size of the lot and property line complications with the neighboring property at 1123 Maxwell Avenue have delayed construction. The neighboring property owner (Heaberlin) contends the common lot line between the properties should be based upon the location of a fence erected by a prior property owner. The fence varies in distance from the platted lot line of between approximately 3 and 7 feet. The 1123 Maxwell property also has a minor driveway encroachment over the platted property line for the area in front of the 1123 Maxwell house.

Staff has discussed with Mr. Heaberlin on multiple occasions how to resolve the property concerns. Staff has discussed granting an easement or to legally adjust the boundary line to reconcile the differences. Staff believes the most beneficial approach to all property owners is a transfer of property rather than an easement. **Therefore, staff is recommending that 3-feet from the property line along the south side of the property at 1125 Maxwell be severed and granted to the property located at 1123 Maxwell owned by Dennis and Dawn Heaberlin.** This transfer is based upon the condition that the Heaberlins would sign a quit claim deed and a release of any existing claims they might have adverse to the City's ownership of the property at 1125 Maxwell.

This adjustment to the south boundary line will still allow for a buildable lot that will conform to the zoning requirements for the construction of a single-family home by Habitat, and will also allow the Heaberlins to maintain a reasonable width for access of their driveway. The related item of the Plat of Survey on the same agenda reflects the proposed property transfer and boundary line adjustment.

**ALTERNATIVES:**

1. The City Council can set September 26, 2017 as date of public hearing to grant a 3 feet boundary line adjustment along the south property line lot at 1125 Maxwell Avenue and authorize staff to finalize terms and conditions of the conveyance of land contingent upon the receipt of a quit claim deed and a release of all adverse claims, signed by the Heaberlins.
2. The City Council can set the date of public hearing for September 26, 2017, and direct staff to create a driveway easement to the benefit of 1123 Maxwell.
3. The City Council can decline to grant a boundary line the property at this time and request other alternatives.

**CITY MANAGER'S RECOMMENDED ACTION:**

Granting 3-feet of the south property line at 1125 Maxwell Avenue to the 1123 Maxwell will allow the agreement between the City of Ames and Habitat for Humanity of Central Iowa to proceed with the construction of a single-family home to address the housing needs for low and moderate income first-time home buyers. The transfer is conditioned upon the Heaberlins signing a quit claim deed to allow for resolution of the property line dispute.

**Therefore, it is the recommendation of the City Manager that the City Council approve Alternative #1 as described above.**