

**COUNCIL ACTION FORM**

**SUBJECT: SALE OF THE CITY-OWNED PROPERTY AT 1125 MAXWELL TO HABITAT FOR HUMANITY OF CENTRAL IOWA**

**BACKGROUND:**

As part of City's Community Development Block Grant (CDBG) Neighborhood Sustainability Program, the acquisition/reuse program component seeks to acquire single-family properties and/or lots for reuse for affordable housing to assist low- and moderate-income (80% or less of AMI) families. The program also makes health and safety repairs to the properties, as needed. Where possible, the properties are matched with eligible first-time homebuyers through the City's CDBG Homebuyer Assistance Program. Program parameters also permit the sale of properties to qualified non-profit organizations in the community.

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 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 from the neighboring property at 1123 Maxwell adjustments needed to be made to the lot boundary lines on the property. Therefore, staff requested and received approval at the City Council meeting on August 22, 2017, for a 4-foot vacation of right-of-way along the north property line.

At the September 12, 2017 City Council meeting, City Council approved a Plat of Survey that includes the 4-foot vacation of right-of-way along the north property line and modifies the boundary line adjustment with the 1123 Maxwell property to the south and provides 3-feet of the property line along the south side of the property be severed and added to the property line located at 1123 Maxwell.

These adjustments to the two boundary lines creates a lot size that will conform to the zoning requirements for the construction of a single-family home by Habitat. Additionally, the above boundary line adjustments required changes to the legal description of the property at 1125 Maxwell, thereby causing the June 26, 2016 City Council Resolution approving the proposed sale to Habitat to be rescinded and the attached Amendment to the proposed sale to be created for City Council review and approval.

**ALTERNATIVES:**

1. The City Council adopt a resolution approving the Amendment to the agreement between the City of Ames and Habitat for Humanity of Central Iowa for the sale of 1125 Maxwell Avenue in the amount of \$5,000 as approved in the Plat of Survey.
2. The City Council can decline a resolution approving the amendment to the agreement between the City of Ames and Habitat for Humanity of Central Iowa for the sale of 1125 Maxwell Avenue in the amount of \$5,000 as approved in Plat of Survey.
3. The City Council can refer this item back to staff for further information.

**CITY MANAGER'S RECOMMENDED ACTION:**

The sale of 1125 Maxwell Avenue to Habitat for Humanity of Central Iowa will assist the City in its efforts to continue to address the housing needs for low and moderate income first-time home buyers. Because this was a property in foreclosure and in deteriorating conditions, this partnership will also upgrade the housing stock located in one of our vital core neighborhoods.

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

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**DO NOT WRITE IN THE SPACE ABOVE THIS LINE; RESERVED FOR RECORDER**

Prepared by: Victoria A. Feilmeyer, City of Ames Legal Department, 515 Clark Ave., Ames IA 50010; 515-239-5146

Return to: Diane R. Voss, Ames City Clerk, Ames City Hall, 515 Clark Ave., Ames, IA 50010

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**AMENDMENT TO AGREEMENT BETWEEN THE CITY OF  
AMES AND HABITAT FOR HUMANITY OF CENTRAL  
IOWA, INC., FOR THE PROPERTY AT 1125 MAXWELL  
AVENUE, AMES, IOWA**

**THIS IS AN AMENDMENT** to an Agreement made by and between the City of Ames, Iowa and Habitat for Central Iowa, Inc., upon the following terms and conditions:

**1 DEFINITIONS.** When used in this Amendment, unless otherwise required by the context:

- 1.1 “City” means the City of Ames, Iowa, an Iowa Municipal Corporation, the seller of the property herein.
- 1.2 “Habitat” means Habitat for Humanity of Central Iowa, Inc., an Iowa Nonprofit Corporation.
- 1.3 “Agreement” means the recorded Agreement presently in force between the City and Habitat dated August 23, 2016, and filed in the office of the Recorder of Story County, Iowa, on August 29, 2016, as Instrument No. 16-08391, governing the construction of certain improvements upon the Real Property by Habitat and the sale by the City and the purchase by Habitat of the Real Property.
- 1.4 “Amendment” means this instrument as signed by the City and Habitat.
- 1.5 “Real Property” means the real property (together with all easements and servient estates appurtenant thereto) situated in Story County, Iowa, locally known as 1125 Maxwell Avenue, Ames, Iowa, and legally described as follows: Lot 1, Block 2, in Sunrise Addition to the City of Ames, Story County, Iowa.

**2 AMENDMENT.** The Agreement is hereby amended by deleting from Part I, Paragraph (A), the reference to the legal description “Lot 1, Block 2, in Sunrise Addition to the City of Ames, Story County, Iowa, and substituting in lieu thereof “Parcel 'H' in a part of the vacated right-of way of East 12<sup>th</sup> Street and a part of Lot 1, Block 2, Sunrise Addition, Ames, Story County, Iowa.”

**3 FURTHER AMENDMENT.** The Agreement is hereby amended by substituting the date “June 20, 2018” for every instance in which the date “December 31, 2017” occurs within the Agreement

(Part I, paragraph E; Part II, paragraph (A)(3); Part II, paragraph (C) and Part II, paragraph (D)).

4 **FURTHER AMENDMENT.** The Agreement is further amended by substituting the date “May 31, 2018” for every instance in which the “November 30, 2017” occurs within the Agreement (Part II, Paragraph (D)).

5 **FURTHER AMENDMENT.** The Agreement is hereby amended by substituting the date “June 30, 2028” for every instance in which the date “December 31, 2027” occurs within the Agreement (Part III, paragraph A and Part III, paragraph (D)).

6 **CONSENT TO SALE.** As provided in paragraph II(C) of the Agreement, the City of Ames expressly approves of the transfer of the property by Habitat to **Brandy Percival**, who has been determined by the City Housing Staff to be an eligible homebuyer.

7 **CONTINUED FULL FORCE.** The Agreement shall continue to have full force and effect in accordance with the terms thereof, subject, however, to this Amendment.

**IN WITNESS WHEREOF**, the City and Habitat have executed this Amendment on this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**CITY OF AMES, IOWA**

**HABITAT FOR HUMANITY OF CENTRAL IOWA, INC.**

By \_\_\_\_\_  
Ann H. Campbell, Mayor

By \_\_\_\_\_  
Annette Forbes, Board President

Attest \_\_\_\_\_  
Diane R. Voss, City Clerk

By \_\_\_\_\_  
Sandi Risdal, Executive Director

STATE OF IOWA, STORY COUNTY, ss:

STATE OF IOWA, STORY COUNTY, ss:

On this \_\_\_\_\_ day of \_\_\_\_\_, 2017, before me, a Notary Public in and for the State of Iowa, personally appeared Ann H. Campbell and Diane R. Voss, to me personally known, and who, by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Ames, Iowa; that the seal affixed to the foregoing instrument is the corporate seal of the corporation; and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as contained in Resolution No. \_\_\_\_\_ adopted by the City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2017, and that Ann H. Campbell and Diane R. Voss acknowledged the execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.

On this \_\_\_\_\_ day of \_\_\_\_\_, 2017, before me, a Notary Public in and for the State of Iowa, personally appeared Annette Forbes and Sandi Risdal, to me personally known, who being by me duly sworn, did say that they are the Board President and Executive Director, respectively, of said corporation, that the seal affixed to said instrument is the seal of said corporation, or no seal has been procured by the said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and the said Annette Forbes and Sandi Risdal acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

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Notary Public in and for the State of Iowa

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Notary Public in and for the State of Iowa