

ITEM #: 17  
DATE: 10-24-23  
DEPT: P&H

**COUNCIL ACTION FORM**

**SUBJECT: RESOLUTION SETTING NOVEMBER 14, 2023, AS THE DATE OF PUBLIC HEARING FOR APPROVING SALE OF CITY-OWNED LOT 1 IN THE BAKER SUBDIVISION TO HABITAT FOR HUMANITY OF CENTRAL IOWA**

**BACKGROUND:**

In 2015, as part of the City’s Community Development Block Grant (CDBG) Program, the City acquired a 10+ acre site located at 321 State Avenue (formerly the site of the Old Ames Middle School). The site was purchased to develop a subdivision that will support the affordable housing goals of the City as a mixed-income development, with a minimum of 51% of the homes affordable to low- and moderate-income households. The subdivision would consist of 27 buildable lots, 26 single-family lots, and one (1) lot for multi-family units (see attachment A).

In July 2022, the City of Ames, as the developer for the subdivision, completed the public infrastructure improvements (streets, water, sewer, electrical, sidewalks, including geothermal for the 26 single-family lots. (see attachment A). The subdivision covenants were adopted in December 2021. As noted above, 51% (14) of the lots are planned to be available to low and moderate-income households.

In March 2023, the City sold Lot 8 to Habitat for Humanity of Central Iowa (HHCI), and in April 2023, the City sold Lots 2-7 to HHCI. **HHCI is requesting to purchase Lot 1 (412 S. Wilmoth), which will complete the purchase of all the lots on the south side of Wilmoth in the subdivision (see attachment A).**

This collaboration with Habitat for Humanity of Central Iowa would represent the twenty-second (22) endeavor between HHCI and the City of Ames. This project will allow the City to continue to address one of its priority goals outlined in both the 2023-2024 Annual Action Plan and the 2019-2023 CDBG Consolidated Plan, which is to increase the supply of affordable housing for LMI households.

The City’s Finance staff has reviewed the most current HHCI’s 2022 Annual Audit Report and finds it in good order, including the audit opinion. Therefore, staff has been working with the HHCI Executive Director and the City’s Legal Department staff to begin to finalize the terms and conditions for the sale of Lot 1 for \$50,000 and for the construction of the home on the lot with the setting of November 14, 2023, as the date of the public hearing.

**ALTERNATIVES:**

1. The City Council can approve a Resolution setting November 14, 2023, as the date of the public hearing to authorize staff to finalize the terms and conditions for the sale of Lot one (1) for \$50,000 in the Baker Subdivision to Habitat for Humanity of Central Iowa.
2. The City Council can approve a Resolution setting November 14, 2023, as the date of the public hearing to authorize staff to finalize the terms and conditions for the sale of lot one (1) for \$50,000 in the Baker Subdivision to Habitat for Humanity of Central Iowa with **additional terms and conditions or modifications**.
3. Direct staff to seek other buyers to purchase the lots.
4. Decline to sell the single-family lots at this time.

**CITY MANAGER'S RECOMMENDED ACTION:**

The sale of Lot 1 in the Baker Subdivision to Habitat for Humanity of Central Iowa will assist the City in its efforts to continue to address the housing needs of low- and moderate-income first-time home buyers and will complete the purchase of all eight (8) lots along the south end of S. Wilmoth the subdivision. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1.

# Location Map- Attachment A

## BAKER SUBDIVISION

### FINAL PLAT

