

COUNCIL ACTION FORM

SUBJECT: UPDATE ON DILAPIDATED PROPERTY AT 4004 PHOENIX STREET

BACKGROUND:

The City Council was presented with a staff report regarding the property at 4004 Phoenix Street at its August 23rd meeting. After discussing the options presented and hearing from one neighbor, the Council directed staff to delay declaring the building dangerous to allow for the sale of the property to be finalized. In addition, the Council asked for an update at the next regular meeting, hoping that would allow enough time for the sale to be completed and for staff to speak with the new owner.

UPDATE:

Staff spoke with the realtor on September 1st. As of that date, a closing date had not been set. On September 2nd, staff made contact with the purchasers (Avec Design+Build) to determine their intent for the property and expected timeline for completion. The purchasers indicated that they had submitted their offer last December with a hope that they would be able to demolish the existing structure, begin construction, and have a new home ready for the 2016 Parade of Homes. The delayed closing caused them to miss that opportunity, but they now hope to make the 2017 Parade of Homes. According to the purchasers, they have already received some demolition quotes, so it appears they intend to demolish the current structure and begin construction on a new home soon after the sale goes through.

ALTERNATIVES:

1. The Council can choose to allow the sale to be finalized within an acceptable timeline (45 days are suggested), and staff will work with the new owner to bring the property into compliance. If the sale is not finalized within the next 45 days, staff will move forward with the dangerous building process on the current owner.
2. The Council can choose to allow the sale to move forward and, once the property has changed hands, declare the home dangerous under the new ownership.
3. The Council can choose to pursue the declaration of a dangerous building immediately. This would require the current owner to demolish the building at his expense. If the owner fails to demolish the building within the allotted amount of time, the City could demolish the structure and assess the expense back onto the property.

MANAGER'S RECOMMENDATION:

The future owners have indicated that they have an aggressive timeframe to redevelop the property. Their stated plan is to construct a new home on the property. This leads staff to believe that this will be an acceptable addition to the neighborhood, and should be more visually appealing to neighbors than the current structure. If for some reason the sale fails to proceed, current code still affords staff the ability to declare the house a dangerous building under Section 5.400 of the Ames Municipal Code.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby choosing to allow the sale to be finalized within a 45 day timeline. Staff will work with the new owner to bring the property into compliance; and if the sale is not completed within the next 45 days, staff will move forward with the dangerous building process on the current owner.