

AGENDA ITEM SUMMARY

Subject: Take Bids on 515 6th Avenue – Nuisance, Res. 63-22

Background Summary:

Resolution 63-22 establishes the bid process and officially puts the property located at 515 6th Avenue out for bid. As discussed at the previous workshop we will look to take single sealed bids from interested parties for purchase of the property. As a condition of the sale the winning bidder will be required to abate the nuisance as part of the acquisition of the property

History:

About a year ago the city was discussing nuisance properties and 515 6th Avenue was one that was on our list. This was a rather unique situation where the owner had died but there was apparently no next of kin that had interest in dealing with the property. To get this off center we asked Brad Sloter to reach out and look to acquire the property via 657A. Ultimately the City was able to acquire the property which the structure itself is in good condition. The nuisance was largely junk, weeds and grass but once cleaned up can be a nice property.

In speaking to the adjacent property owners and others we've determined that there is interest in selling this home as is. With that Brad Sloter has prepared bid documents and bid form for the taking of bids on the property. We are proposing a timeline such as the following:

(1) approval of the Notice / Request for Bids and authorizing publication of the notice at the May 16 meeting, (2) sealed bids delivered by 3 p.m. on May 30 (following publication); (3) set public hearing on the purchase agreement with the high bidder at the June 6 meeting for June 20; (5) approve the purchase agreement at the June 20 meeting; and (6) close the transaction around mid-July.

One of the conditions of sale will be to require that the current nuisances at the property be abated. We are also setting a minimum bid requirement on the property of \$12,000 (property has an assessed value of \$23,800)

Its not too often we can acquire a nuisance property and salvage it to keep it in the housing stock.

RESOLUTION NO. 63-22

**RESOLUTION APPROVING NOTICE OF REQUEST FOR BIDS FOR PROPERTY
LOCATED AT 515 6TH AVENUE**

WHEREAS, the City Council desires to accept sealed bids for the purchase of property at 515 6th Avenue, Charles City, Iowa, upon the terms and conditions set forth in the Notice of Request for Bids; and

WHEREAS, the City Council desires to notify the public of its request for bids and hereby authorizes and directs the Clerk to publish notice of the request for bids in the Charles City Press and on the website for the City of Charles City in the form attached hereto; and;

WHEREAS, the Notice for Request for Bids and Bid Form shall be available at the office of the City Clerk; and

WHEREAS, any and all bids shall be subject to acceptance and approval by the Charles City City Council after such notice and hearing required by law.

NOW THEREFORE BE IT RESOLVED that the Notice of Request for Bids and Bid form are hereby approved, and the Clerk is authorized and directed to publish notice of the request for bids as set forth herein.

Passed and approved this 16th day of May, 2022.

MAYOR

ATTEST: _____
CITY CLERK

NOTICE OF REQUEST FOR BIDS FOR

Lot Nine (9), Block Forty-eight (48), Third Hart-Parr Addition “C” to Charles City, Iowa, except the North Forty-five feet (N 45’) thereof

(Locally known as 515 6th Avenue, Charles City, IA 50616; Parcel ID Number: 12-06-383-016-00)

(THE “REAL ESTATE”)

1. Owner: City of Charles City, Iowa (“the City”)
2. Terms:
 - A. The City will accept sealed bids for the purchase of the Real Estate consistent with the terms and conditions stated herein.
 - B. Minimum bid is \$12,000.00.
 - C. Sealed bidding shall conclude at 3:00 p.m. on May 30, 2022 (“the Deadline”).
 - D. The bid form attached as Exhibit “1” (“Bid Form”) must be completed in its entirety, signed, sealed, and delivered to Charles City City Hall, Attn: City Engineer John Fallis, 105 Milwaukee Mall, Charles City, Iowa on or before the Deadline. Proposals received after the Deadline will not be opened or considered. Proposals containing any reservations or conditions not provided for in this Notice will not be considered.
 - E. The Bid Form is available at the office of the City Clerk of the City of Charles City at 105 Milwaukee Mall, Charles City, Iowa.
 - F. The City reserves, in the City’s sole and absolute discretion, the right to reject any bid even it is the highest bid.
 - G. In the event of a tie following the Deadline, a random selection process will be used to select the winning bidder.
 - H. No bids shall be subject to financing. Upon acceptance of a bid by the Charles City City Council following the Deadline, the selected buyer shall execute an Offer to Buy in a form provided by the City (and containing the terms and conditions set forth herein) and deliver to the City the executed Contract.
 - I. Any bid is non-rescindable and is an absolute offer to purchase on the terms set forth herein, **subject to acceptance and approval by the Charles City City Council after such notice and hearing required by law.**

3. For questions, contact:

John Fallis, City Engineer
105 Milwaukee Mall
Charles City, Iowa 50616
Telephone (641) 257-6300

CONDITIONS OF SALE

The City shall pay all real estate taxes that are due and payable as of the date of possession and constitute a lien against the Property, including any unpaid real estate taxes for any prior years. Buyer shall be responsible for all subsequent real estate taxes. There will be no proration of real estate taxes for the current fiscal year due and payable in September of 2022 and March of 2023. Buyer will be solely responsible for all taxes due and payable September of 2022 and thereafter.

Closing shall occur on or before July 15, 2022, unless otherwise mutually agreed upon by the parties.

Buyer is purchasing the Real Estate in its "AS IS" existing condition. Buyer acknowledges that the City has made no representations or warranties, express or implied, as to the condition of the Real Estate or as to value, fitness for use, state of title, or environmental matters, and Buyer waives any claims based on the condition of the Real Estate and releases and discharges the City and its employees, officers, and agents from any such claims, liabilities, and causes of action. The Buyer shall be responsible for disposing of any junk, garbage, and/or personal property located at the Real Estate and shall be responsible for abating any existing nuisance conditions at the Real Estate.

The City is not required to provide an abstract of title to the Real Estate and does not make any representations or warranties as to the state of title to the Real Estate. Any abstracting or title work shall be the Buyer's sole responsibility and cost. The City shall convey title to the Real Estate to Buyer by "Quit Claim" Deed.

By: _____ Dated: _____
Dean Andrews, Mayor

BID FORM FOR

Lot Nine (9), Block Forty-eight (48), Third Hart-Parr Addition “C” to Charles City, Iowa, except the North Forty-five feet (N 45’) thereof

(Locally known as 515 6th Avenue, Charles City, IA 50616; Parcel ID Number: 12-06-383-016-00)

(THE “REAL ESTATE”)

Seller: City of Charles City, Iowa

Date of bid: _____

Buyer(s): _____

Address: _____

Phone number: _____

Email address: _____

Bid amount: _____

Return to: Charles City City Hall
Attn: John Fallis
105 Milwaukee Mall
Charles City, Iowa 50616
Telephone (641) 257-6300

By signing, each Buyer agrees to the terms and conditions of sale set forth in the NOTICE OF REQUEST FOR BIDS.

“Buyer(s)”

_____ Dated: _____

_____ Dated: _____