



City of Dyersville
City Administrator's Office

October 5, 2026

Honorable Mayor Jeff Jacque and City Council Members
City of Dyersville
Memorial Building, 340 1st Avenue East
Dyersville, Iowa 52040

RE: Resolution No. 85-26, Proposal to Sell Lot 5 of Tegeler Subdivision (703 2nd Avenue SW)

Dear Honorable Mayor Jacque and Council Members:

Tonight I am asking the Council to adopt Resolution No. 85-26. The resolution does not sell the lot at 703 2nd Avenue SW. It is the first step Iowa law requires before a city can sell land, and it sets a public hearing for October 19, 2026. This letter outlines the next steps and recommends that the City list the lot with a local real estate agent.

The City owns Lot 5 of Tegeler Subdivision, a vacant lot at 703 2nd Avenue SW (Dubuque County Parcel 0731106001). The lot measures 59 feet by 120 feet, or 7,080 square feet, and is zoned R-1. The City acquired it by warranty deed recorded on August 21, 2025, for \$63,700. The resolution states that the lot is no longer required for vital municipal purposes and proposes to offer it for sale to the public on the open market. It places no conditions on a buyer's use of the lot beyond the City's zoning regulations.

Iowa Code Section 364.7 controls how a city sells real property. The Council must first set out its proposal in a resolution. The City must then publish notice of the resolution and a public hearing. If the Council adopts Resolution No. 85-26 tonight, the City Clerk will publish the notice for the October 19 hearing. The hearing begins at 6:00 PM at the Memorial Building, and any resident or property owner may offer oral or written objections. After the hearing, the Council may make a final determination on the proposal by resolution.

The steps after tonight are these. First, the Clerk publishes the notice. Second, the Council holds the hearing on October 19 and decides by resolution whether to go forward. Third, if it does, the Council considers a listing agreement with a local real estate agent, including the commission, before the lot is listed. If the Council adopts Resolution No. 85-26 tonight, I will seek out a local agent(s), and the staff hopes to bring an agent and a listing agreement to the Council at its next meeting on October 19. Fourth, the lot is marketed on the Multiple Listing Service (MLS), the database real estate agents used to find properties for buyers. Fifth, when an offer is received, the Council considers a separate final resolution approving the specific buyer and price. Sixth, the

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sale closes with a deed from the City. Resolution No. 85-26 commits the City to none of the later steps, and it reserves the City's right to reject any and all offers.

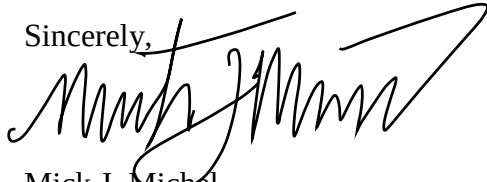
I recommend that the City list the lot with a local real estate agent. The Council has three practical ways to market the lot. City staff could market it directly with a sign and a published notice. This avoids a commission, but it reaches few buyers and takes staff time. The City could instead publish a request for sealed offers. This invites competition, but it adds advertising cost and still reaches only people who happen to see the notice. The third option is an MLS listing through a local agent. A local agent knows the market and handles advertising, showings, offers, and paperwork. The MLS also reaches the widest group of buyers. For these reasons, I recommend the third option.

On the fiscal side, the resolution sets an initial target listing price of \$60,000. I set that price to allow for the appraised value, the real estate commission, and the City's own administrative costs of the sale, such as publication and recording. The commission is set in the listing agreement and is paid from the sale proceeds at closing; I have not assumed a rate. The asking price is a starting point, not a promise of a sale or a sale price. The Council decides the final price. Sale proceeds would be deposited in the General Fund.

The City obtained an independent appraisal of the lot. Iowa Code Section 22.7(7) keeps appraisal information on the sale of public property confidential until a contract for the sale is executed, so I have not included the appraisal or its value in this letter or the packet. The resolution follows the form provided by the City Attorney's office.

I recommend that the Council adopt Resolution No. 85-26 to hold the public hearing on October 19, 2026.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mick J. Michel', with a large, sweeping flourish extending to the right.

Mick J. Michel,
City Administrator
