



CITY COUNCIL WORK SESSION MEMORANDUM

TO: Matthew R. Schmitz, MPA - City Manager
FROM: Matt Chesmore – Building Official
DATE OF MEETING: April 6, 2026
ITEM TITLE: 204 3rd St. NE – Disposition of Real Estate

DISCUSSION:

In 2025 the City of Independence acquired an abandon property located at 204 3rd St NE through 657A proceedings.

The City of Independence can now move forward with disposition of the parcel and must determine the preferred method for doing so.

Staff has received interest from parties willing to acquire the property in its current “as-is” condition.

Should the City choose to proceed with an as-is sale (including any existing structures), staff recommends that the transaction include contingencies outlined within a development agreement to ensure compliance with City expectations and timelines.

Potential methods for disposing of the property in an as-is condition include:

- Publication/Posting – Sealed Bid Process
- Listing through a Real Estate Broker

Additional considerations include:

- Will the City establish a minimum acceptable bid value?

It is also important to note that current zoning regulations for R-2 districts require a minimum lot size of 7,000 square feet. This parcel contains 5,247 square feet, which is 1,753 square feet below the required minimum.

One potential development scenario would involve construction of a small or “tiny” home on the lot. Under this approach, the City Council could consider approval on a case-by-case basis; however, the structure size would likely be limited to between 400 and 1,000 square feet.

Alternatively, construction of a primary structure exceeding 1,000 square feet would require approval of a variance from the Board of Adjustment. The variance would specifically address the construction of a larger dwelling on a lot that does not meet the minimum size requirement for the R-2 zoning district.

Staff consulted with City Attorney Daniel Morgan regarding the feasibility of granting such a variance. He expressed support for its consideration, noting that the property is zoned residential and may otherwise be rendered effectively unusable if limited solely to a small or “tiny” home.

RECOMMENDATION:

Staff recommends discussion of this topic. No action is needed at this meeting, as any decision items needed would be brought forward to a City Council meeting for approval.