



CITY COUNCIL MEMORANDUM

TO: Matthew R. Schmitz, MPA - City Manager

FROM: Susi Lampe, CMC, IaCMC, IaCFO – Assistant City Manager/City Clerk/Treasurer

DATE OF MEETING: May 26, 2026

ITEM TITLE: Resolution Awarding Bid and Authorizing Sale – 204 3rd St NE

BACKGROUND:

The City of Independence acquired the property at 204 3rd Street NE by Court Order pursuant to Iowa Code Section 657A.10B, following a District Court finding that the property had been abandoned. The City Council determined there is no designated public use for the site. Furthermore, continued ownership of the property would necessitate ongoing maintenance at the public's expense. The objective of selling the property is to generate sufficient funds to reimburse our acquisition expenses and to financially support our ongoing nuisance abatement program.

DISCUSSION:

In compliance with state laws concerning the disposal of real property, we solicited public bids for the sale of the site. We received two bids prior to the May 19, 2026, deadline. Jared Donnelly submitted the high bid of \$5,000. Dustin Dallenbach submitted a bid of \$4,500.

Mr. Donnelly's proposal includes demolishing the existing primary structure and partnering with the Independence Community School District to construct a Building Trades home on the lot, with construction anticipated to begin in the fall of 2027. His proposal also noted his intent to save and repair the existing garage. Although his formal written response did not include a specific timeline for the garage repair, the City Manager reached out to Mr. Donnelly, the high bidder, directly to clarify the point. Mr. Donnelly confirmed that he will hire out the garage repair immediately, and it will be completed in conjunction with the demolition of the primary structure.

RESULTS:

The City has established priorities during strategic planning sessions. This item supports the Vision from that session of **encouraging a supportive environment for businesses, workforce, and economic development**, and **supporting and enhancing City infrastructure**. This item helps achieve that vision by eliminating an abandoned nuisance property and replacing it with a community-focused partnership that provides hands-on educational opportunities for local students while ultimately adding a new home to our housing stock.

FINANCIAL CONSIDERATION:

The sale of this property will generate \$5,000 in revenue from the successful bidder, Jared Donnelly. These funds will be used to reimburse the City for the costs associated with acquiring the property, with any remaining funds supporting our ongoing nuisance abatement program.

RECOMMENDATION:

Staff recommends a motion to approve and authorize the Mayor to sign the resolution awarding the bid and authorizing the sale of 204 3rd Street NE to Jared Donnelly for a purchase price of \$5,000.