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**Policy for the Disposition of  
City-Owned Properties**

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## General Information

The city of Oskaloosa may from time to time acquire dilapidated, condemned or abandoned properties or vacant lots. The acquisition of such properties is to enhance the community's quality of life, protect health and safety and protect property values. The city intends to sell these properties to responsible community members so that they can be renovated, redeveloped, or repurposed to enhance the city. The following are potential future uses for these properties, listed in priority ranking:

1. Renovation of the existing structure.
2. Demolition of the existing structure and construction of a new primary structure.
3. Demolition of the existing structure and converting the lot into a yard/open/green space.

Properties acquired by the city in these circumstances will typically be offered for sale through a sealed bid process. However, there are two separate processes by which the city may dispose of these properties: by sealed bid or by application. Generally speaking, the city will dispose of properties with existing structures on them through the sealed bid process. The acquisition through application process is intended for vacant and unused city properties not being sold through the bidding process.

All properties will be sold "as is." The buyer shall pay all costs of conveyance, any property taxes or assessments owed, and the cost of publishing the public hearing notice in the Oskaloosa Herald. Any property to be sold by the City which is subject to or made contingent upon the buyer performing any action relative to the property, shall be sold by written real estate contract with title to be conveyed once the steps or actions have been taken or performed, subject to forfeiture of the said contract as provided by Iowa Code Chapter 656 in the event the required steps or actions are not taken or performed. In the event a buyer fails to perform as outlined in the submitted plan of action or as otherwise required in this document, the city reserves the right to forfeit the property transfer, at the expense of the buyer. No bid securities, purchase payments, or other costs incurred by the buyer will be repaid by the city, if the buyer fails to perform.

The use of any property purchased shall be consistent with the zoning classification. In instances where legal use of the property pursuant to the zoning classification may be in conflict with existing adjacent and neighboring residential property, then certain other requirement may be imposed by the city, for the use of the property. These requirements could include, but are not limited to, providing privacy fencing to screen neighboring properties, require lighting to be restricted and goods and merchandise stored outside to be on paved or asphalt surfaces.

City properties may not be mined for soil, nor stripped of vegetative cover, trees, shrubs and other living material except where necessary for construction and redevelopment or to comply with city code. Properties sold or used as green space will be maintained in a manner appropriate to the neighborhood and consistent with city code.



## **Sealed Bids**

The purpose of accepting sealed bids is to ensure the best price for the taxpayers, but to also encourage interested parties to outline a plan for repairing the property for eventual occupancy, demolition and/or reconstruction of a structure with a higher assessed value. In some circumstances the city will approve plans that provide additional green space which enhances the lot size of an adjoining property.

### Process

City-acquired dilapidated, condemned or abandoned properties will be advertised for sealed bids. The Development Services Department will furnish bid forms for the dilapidated, condemned or abandoned properties. When a property is advertised for bid, the city shall state the date by which all bids will need to be received, which will typically be ten (10) working days following the advertisement. Bids and security payment can be submitted during regular office hours at City Clerk's Office, City Hall, 220 South Market Street, Oskaloosa, IA 52577.

In some situations, the city may set a minimum bid price of one-thousand dollars (\$1,000) or more. Interested parties will be given an opportunity at a time determined by city staff to inspect the dilapidated, condemned or abandoned properties prior to submitting a bid. A ten percent (10%) or \$50 (whichever is greater) bid security, in the form of a certified check or money order is required from every bidder. Bid securities for unsuccessful bidders will be returned. The bid security of the success bidder will be applied to the total bid due to the city.

Purchase of city-owned property is subject to approval by the city council and requires a public hearing that will be held prior to council approval. Buyers will be notified of the public hearing date. City staff will recommend the highest responsible bid be approved by city council, who shall retain the right to accept or reject bid(s) in the best interest of the city. The priorities listed in the General Information of this document may be used to determine the best interests of the city.

Properties placed out for bid are to be sold for the express purpose described on the purchase offer as the bidder's plan and land speculation is discouraged. A development agreement with a successful bidder may be required as determined by the city of Oskaloosa.

### Buyer Responsibilities

The successful bidder (the buyer) shall submit the payment for the property prior to receiving the Quit Claim Deed. The buyer shall also submit a repair, demolition and/or reconstruction plan to the Development Services Department within thirty (30) days of the city's transfer of property to the successful bidder. Action to fulfil the submitted plan by the buyer shall meet the following deadlines unless specifically extended in writing by the Development Services Department:

- Repairs concluded within one-hundred eighty (180) days of the transfer date; or
- Demolition concluded within ninety (90) days of the transfer date; or
- Reconstruction initiated (permit pulled) within one-hundred eighty (180) days and concluded within one (1) year from transfer date.



The buyer shall notify the Development Services Department when the project is complete and all obligations are met. At which time, city staff shall inspect the property for compliance with the stated plan and notify the buyer when all obligations have been met.

### **Vacant Lot Application**

The purpose of the vacant lot sale by application process is to provide a consistent manner by which individuals and entities can petition to purchase unused, city-owned land. The city does not intend to hold unused properties indefinitely, but may not always put properties up for bid in the time necessitated by some market opportunities. This process allows entities to acquire property that may not immediately have been put out for bid by the city. This process, however, is not intended to allow entities to circumvent the bidding process by applying for acquisition before the city has the opportunity to solicit for bids. The city reserves the right to solicit for bids after an acquisition application has been submitted.

#### Process

The Development Services Department will have property acquisition application forms available at city hall and online. As part of the application, the applicant shall submit a plan for future use of the property. The use shall be consistent with the priorities of this program and stipulation stated in the General Information section of this document. City staff shall review the application and provide a recommendation to city council. Purchase of city-owned property is subject to approval by the city council and requires a public hearing that will be held prior to council approval.

#### Bids and Security Deposits

The minimum price for each lot shall be one-thousand dollars (\$1,000) per lot, except that the minimum per lot price shall be five-hundred dollars (\$500) to neighboring property owners. Neighboring properties are considered those properties that abut the property being sold or that lie directly across a city-owned alley from the property. Non-profit organizations (registered 501[c][3]) such as Habitat for Humanity, or other organizations that build quality housing projects as determined by the city, may offer to purchase city owned properties for five-hundred dollars (\$500). The city council may consider modifying the minimum lot price if the buyer can demonstrate a reasonable expectation that a substantial cost will be incurred in preparing the lot for use.

If it comes to the attention of the city that more than one entities interested in purchasing the lot, sealed bids will be accepted with the minimum bid set at five-hundred dollars (\$500) from the interested entities.

At the time the application is submitted, the applicant shall also submit a security deposit of two-hundred dollars (\$200). This cash deposit shall be sent to the City Clerk's Office, City Hall, 220 South Market Street, Oskaloosa, IA 52577. Deposit may be in the form of cash or a certified check or money order made payable to the city of Oskaloosa.



Deposits on vacant lots are nonrefundable and will be forfeited in the event the buyer withdraws an offer or does not complete the property purchase upon approval by the city council. If the buyer proceeds with the property purchase, the deposit shall be deducted from the total cost of the property and expenses incurred for conveyance.

Properties are sold under this process for the express purpose described in the applicant's plan on the purchase offer; land speculation is discouraged. A development agreement with a applicant/buyer may be required as determined by the city of Oskaloosa. After 180 days, the city shall inspect the property for compliance with the stated plan for the property.





## Invitation to Bidders

The city of Oskaloosa, Iowa will accept sealed bids until \_\_\_\_\_ local time on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ in the office of the City Clerk, City Hall, 220 South Market Street, Oskaloosa IA 52577 for the real property legally described as:

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**Insert property photo(s) here**

This property consists of \_\_\_\_\_. The city is selling this property to be repaired to at least the minimum standard of the city's adopted building codes (e.g. Housing, Building, Electrical, HVAC, Plumbing, etc.), as applicable or the building may be demolished. The building cannot be occupied until the city Building Official issues a Certificate of Occupancy. The property will need to be in full compliance with city codes before a Certificate of Occupancy is issued. Some of the significant deficiencies/needed repairs include:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

The above listed items should not be construed to be an exhaustive list of deficiencies or needed repairs. It is the buyer's responsibility to ensure that all deficiencies are identified and corrected.



This property is offered for sale subject to the following conditions:

1. All city, state, and federal codes and regulations, specifically including the City of Oskaloosa’s Disposition of City Owned Properties policy, are followed.
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

A bid security in the form of a certified check or money order in the amount of ten percent (10%) of the bid price or \$50 (whichever is greater) is required to be submitted with the bid. The successful bidder is required to submit a repair or reconstruction plan to the Development Services Department with a one-hundred eighty (180) day timeline to repair or initiate reconstruction of the building or submit a statement that the building will be demolished within ninety (90) days. The property will be transferred by Quit Claim deed, with no abstract and the buyer will pay the costs of conveyance as well as any property taxes or assessments owed. All bid securities will be held until the property has been paid for in full by the winning bidder.

Bids shall be mailed or delivered to the City Clerk’s office located on the first floor of City Hall, 220 South Market Street, Oskaloosa, IA 52577 in a sealed envelope and plainly marked *Bid for* \_\_\_\_\_ prior to \_\_\_\_ on \_\_\_\_\_, 2016. Bids will be opened at that time. A bid report, with a recommendation, will be presented to the city council at the regular meeting on \_\_\_\_\_.

Bid packets can be obtained by going online to [www.oskaloosaiowa.org](http://www.oskaloosaiowa.org) using the “bid postings” link.

The property will be open for persons interested in inspecting the interior of the building on - \_\_\_\_\_ from \_\_\_\_ until \_\_\_\_.

Questions regarding this invitation to bidders should be directed to \_\_\_\_\_, \_\_\_\_\_ Oskaloosa, IA 52577.





## City-Owned Property Bid Form / Purchase Application

Check which type of city-owned property you want to purchase:

Vacant Lot                      Are you the owner of a neighboring property owner? Yes / No  
Are you a non-profit organization? Yes / No

Building/Lot for Bids    Minimum bid set by the city is \$ \_\_\_\_\_

Address or legal description of property:

Buyers name, address and phone number:

Dollar amount of the offer: \$ \_\_\_\_\_

The minimum price for each vacant lot is one-thousand dollars (\$1,000) per lot, except that the minimum per vacant lot price shall be five-hundred dollars (\$500) to neighboring property owners and non-profit organizations.

Briefly describe your plan for the property:

\_\_\_\_\_  
I, the undersigned, have been provided with and understand the City of Oskaloosa’s Disposition of City Owned Properties policy, herby agree to abide by the regulations therein, and submit this offer to buy the property identified above.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

