

ITEM #: 42
DATE: 05-23-23
DEPT: FIRE

COUNCIL ACTION FORM

**SUBJECT: NUISANCE ASSESSMENT – DEMOLITION OF DANGEROUS GARAGE
LOCATED AT 1122 CLARK AVENUE**

BACKGROUND:

City staff has demolished a dangerous garage at the property listed below. The work was completed, and a bill has been mailed to the individual. To date, the bill has not been paid. The process for nuisance assessments is followed in most cases when the City incurs expenses for maintenance of private property.

Council action is necessary to certify the expense for the work to the County Treasurer to be collected in the same manner as property taxes. A certified notice of this hearing has been mailed to the property owner.

Donna Kennedy	\$ 3500
1122 Clark Avenue	
Ames, Iowa 50010	

Demolition of a dangerous garage on property located at 1122 Clark Avenue
Worked performed February 2023

The property owner failed to pay the bill, and a decision was made to proceed to assess the charges as a nuisance assessment under *Iowa Code* Section 5.403(2)(g). The process for nuisance assessments is followed in most cases when the City incurs expenses for maintenance of private property.

This assessment amount is higher than typical nuisance abatement assessment amounts. The City Attorney has advised that, due to the amount of the assessment, the Council may assess costs in a similar manner as street or utility improvements and paid by the property owner over time. Staff is proposing that the assessment costs be paid over a term of 10 years, with an annual interest rate equal to the yield on a 10-year U.S. Treasury (3.7%).

ALTERNATIVES:

1. Authorize staff to file an assessment of the above-described demolition costs with the Story County Treasurer over a term of ten years with an annual interest rate of 3.7%.
2. Authorize staff to file an assessment of the above-described demolition costs at another term length or interest rate allowable under Iowa law.
3. Do not certify this cost to the County Treasurer and instead, absorb the cost.

CITY MANAGER'S RECOMMENDED ACTION:

City Council approval is necessary to certify these costs to the County Treasurer so they may be collected in the same manner as property taxes. The amount to be collected is higher than a typical assessment for a nuisance issue, and therefore collecting the total in one payment may present an undue burden on the property owner. Spreading the assessment over a term of 10 years with a 3.7% annual interest rate would allow the costs to be recouped in smaller payments.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.