

**OFFICE OF THE CITY MANAGER
DES MOINES, IOWA**

**CITY COUNCIL COMMUNICATION 96-257
JUNE 17, 1996 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
SALE OF EXCESS PROPERTY TO ANAWIM	◆ RESOLUTION ORDINANCE RECEIVE/FILE	SCOTT A. STRICKER ECONOMIC DEVELOPMENT ADMINISTRATOR

SYNOPSIS —

On the June 17, 1996, agenda is a roll call to open and close a public hearing on the sale of two vacant parcels located at 1122 and 1130 9th Street as excess City property and to authorize a special warranty deed to convey these properties to Mid-City Duplexes, L.P., c/o/ ANAWIM, for the construction of a four-unit townhouse.

FISCAL IMPACT —

The \$3,400 sales proceeds will be deposited into the CDBG General Revenue Account.

RECOMMENDATION —

Approval of the property sale as detailed in the roll call.

BACKGROUND —

The City of Des Moines acquired property located at 1122 and 1130 9th Street sometime in the early 1970s as part of the Grass Roots Urban Renewal Program for residential redevelopment which was funded by the CDBG Program and its predecessors. This land was not developed, and the Grass Roots Urban Renewal Program expired in 1991. The City Council in February 1996 established general procedures for the sale of certain designated properties, including these parcels. (The property located between the two City parcels is owned by Polk County which is in the process of selling its parcel to Mid-City Duplexes, L.P., c/o/ ANAWIM.)

Mid-City Duplexes, L.P., a limited partnership with Principal Mutual Life Insurance Company and ANAWIM Housing, Inc., submitted a proposal to the City for the purchase of the two vacant 9th Street parcels for \$3,400 to construct a four-unit townhouse. Each two-story unit, which is about 925 square feet with a full basement, will have its own streetfront entrance facing 9th Street. Each unit, with two bedrooms and 1-1/2 bathrooms, will rent for about \$450/month. Parking is provided in a paved lot which can be accessed from Stone Lane and 9th Street.

The total cost to construct is about \$310,000 or about \$77,000/unit. Financing is being provided by a number of public and private sources including City of Des Moines' HOME funds, low-income housing tax credits, and private funds through a limited partnership with ANAWIM and Principal Mutual Life Insurance Corporation. The good faith deposit of \$850 will be retained by the City until construction is completed in accordance with the design plans included with the proposal. Construction is expected to start in late summer 1996.

On June 3, 1996, the New Vision in Focus Neighborhood Family Estate Neighborhood Group reviewed the proposal and recommended in favor of the development which is located within their neighborhood boundaries.