

OFFICE OF THE CITY MANAGER
DES MOINES, IOWA

ITEM _____

CITY COUNCIL COMMUNICATION 96-392
SEPTEMBER 16, 1996 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
RECOMMENDATION FOR DISPOSAL OF EXCESS MUNICIPAL HOUSING AGENCY LOTS	◆ RESOLUTION ORDINANCE RECEIVE/FILE	WILLIAM E. WILKINS HOUSING SERVICES DIRECTOR

SYNOPSIS —

Sale of vacant public housing lots originally acquired for development of scattered-site housing development.

FISCAL IMPACT —

Potentially \$62,000 would be returned to the Federal Grant acquired for the development of 60 scattered-site housing units.

RECOMMENDATION —

Approval.

BACKGROUND —

This matter was originally presented to the City Council for approval during the meeting of July 22, 1996 and was deferred until staff provided a report clarifying concerns of the Council.

The following is a detailed listing of the excess lots and for what they are currently zoned:

1.	2331 E. 37th Street	R-2	7.	2000 E. 39th Street	U-1
2.	2338 E. 37th Street	U-1	8.	2002 E. 39th Street	U-1
3.	2342 E. 37th Street	U-1	9.	1905 E. 40th Street	U-1
4.	2346 E. 37th Street	R-2	10.	1924 E. 40th Street	U-1
5.	2001 E. 38th Street	U-1	11.	1812 24th Street	R-2
6.	2005 E. 38th Street	U-1	12.	4416 University	R-3

The U-1 (Flood Plain District) designation does not permit the owner to develop a single-family unit unless the owner submits a petition to the City for a reclassification to R-2. It should be noted that while a petition to reclassify may be granted, the zoning inspector has advised the staff that a single 50-foot-wide lot will only allow for the construction of a duplex. Additionally, the Sunrise Park Neighborhood group, lot numbers 5-9, are against the development of duplex structures.

Lots 1-11 would be sold as a "bulk package" with a restrictive covenant which would only permit the construction of single-family units. The intent of a "bulk package" sale is to create a fast sale and obtain the highest price (\$44,000) for the lots.

Vacant lot "12" would not be a part of the bulk sale and would be sold at a minimum price of \$24,500, which represents the price paid for the lot and the pre-construction costs incurred by the agency to date.

- Vacant lots 1-11 will be listed for sale as a "bulk package" with an asking price of \$44,000; vacant lot 12 will be listed with a minimum sale price of \$24,500;
- The advertisement will be published during the weekend of September 20-22, 1996;
- Bid closing will be October 4, 1996 with staff conducting separate formal bid openings, (3:30 p.m. for the "bulk package" and 3:45 p.m. for University Avenue) in the conference room at Royal View Manor;
- Staff will evaluate the bids and recommend conveyance/sale to the highest bidder;
- During the Council meeting of October 7, 1996, the matter will be set for hearing with a recommendation for a buyer; and
- On October 21, 1996, staff would return the matter to Council's agenda; upon closing the hearing and approval of the proposed buyer and sale price, Corporation Council would complete the transaction.

The Public Housing Board reviewed and approved this matter for submission to City Council on July 10, 1996.