

OFFICE OF THE CITY MANAGER
DES MOINES, IOWA

CITY COUNCIL COMMUNICATION 97-130
MARCH 17, 1997 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
TRANSFER OF 698 20TH STREET TO SHERMAN HILL ASSOCIATION	◆ RESOLUTION ORDINANCE RECEIVE/FILE	JAMES M. GRANT COMMUNITY DEVELOPMENT DIRECTOR

SYNOPSIS —

This property was purchased as part of a larger parcel needed for right-of-way. acquisition for ML King, Jr. Parkway. The house itself, and the parcel on which it sits, is not needed for the ML King, Jr. Parkway Project. The house is in very poor condition but was identified as contributing to the Sherman Hill Historic District by the State Historic Preservation Office. The Sherman Hill Association will renovate the house and sell it to an owner/occupant within one year. The transfer will encourage neighborhood revitalization and will relieve the City from satisfying any additional conditions required because of the historic nature of the property

FISCAL IMPACT —

The City will save costs of historic documentation and possible demolition.

RECOMMENDATION —

Set public hearing to transfer the 698 20th Street to the Sherman Hill Association for one-half the cost of abstracting.

BACKGROUND —

With the transfer of 698 20th Street to the Sherman Hill Association, the City of Des Moines has a unique opportunity to preserve a historic structure and an affordable housing opportunity. The property at 698 20th Street was purchased under the ML King, Jr. Parkway Program, but was not acquired because of a project need. The acquisition was driven by the fact that the owner of the property was also the owner of the two apartment complexes immediately adjacent to the ML King, Jr., Parkway Project which were necessary for right-of-way for the project. These three holdings were the entire holdings of the property owner within the City of Des Moines. Under federal regulations, as no property owner can be left with less than 60' of frontage, a total acquisition of his holdings was necessary.

The property at 698 20th was built in 1895 and is considered a contributing structure to the Sherman Hill Historic District. Any property purchased with federal funds must be reviewed by the State Historic Society of Iowa for determination of the impact on the property. The State Historical Society of Iowa determined that the structure was eligible for the National Register of Historic Places in a letter dated March 27, 1996. The State Historic Society of Iowa placed no conditions on the transfer of the property to the Sherman Hill Association for renovation. Therefore, the City is not required to record the structure through a written history and archival photographs of the structure using a qualified architectural historian if the property is transferred to the Sherman Hill Association resulting in a cost savings.

The Iowa Department of Transportation (IDOT) and the Federal Highway Administration (FHWA) have approved sale of the property to the Sherman Hill Association in a letter dated June 13, 1996. The agencies have placed no requirements on the property prior to its transfer to the Sherman Hill Association.

The Sherman Hill Association wants to procure the property for rehabilitation of the interior of the house and restoration of the exterior and eventual sale to an owner/occupant. The restoration would include a new roof, rebuilding the northern portion of the foundation, removing the cover-up siding and rebuilding an open porch. The Sherman Hill Association has had prior experience in renovation of housing and currently owns housing in the Sherman Hill neighborhood. It is a registered 501(c)3 organization. The Sherman Hill Association has agreed to pay one-half of the abstracting costs and all recording costs.

The Neighborhood Conservation Services Division of the City is working with the Sherman Hill Association to provide rehabilitation funds for the property through its acquisition rehabilitation program. The property should be renovated this late summer and fall and sold by winter. The acquisition rehabilitation program is funded by Community Development Block Grant (CDBG) dollars and requires the property be marketed to a low- or moderate-income family.