

**CITY COUNCIL COMMUNICATION 98-107
MARCH 23, 1998 AGENDA**

SUBJECT:

**DES MOINES HABITAT FOR HUMANITY, INC.
REDEVELOPMENT PROPOSAL**

SUBMITTED BY:

**JAMES GRANT
COMMUNITY DEVELOPMENT DIRECTOR**

SYNOPSIS –

On the March 23, 1998 Council agenda are three roll calls relating to the developer-initiated redevelopment proposal submitted by Des Moines Habitat for Humanity, Inc. to purchase 107 Astor in the Capital East Urban Renewal Area. The roll calls authorize:

- Execution of the Urban Renewal Purchase Agreement for Residential Construction by and between the City of Des Moines, Iowa and Des Moines Habitat for Humanity, Inc. 107 Astor in the Capital East Urban Renewal Area;
- Approval of the redeveloper's evidence of financing and final design plans; and
- Approval, execution, and delivery of the Special Warranty Deeds for the Disposition Parcels.

FISCAL IMPACT –

The proceeds of \$4,550 from the sale of the disposition parcels will be deposited into the Community Development Block Grant (CDBG) general account. A single-family, owner-occupied home will be developed on the parcel. Des Moines Habitat for Humanity, Inc. is working in conjunction with Plymouth Congregational United Church of Christ to construction this house. Plymouth Church has raised approximately \$125,000 for the construction of this house and one other. Approximately \$65,000 will be added to the tax base after the ten-year abatement period.

RECOMMENDATION –

Approval of the three roll calls regarding Des Moines Habitat for Humanity, Inc. proposal for 107 Astor in the Capital East Urban Renewal Area.

BACKGROUND –

On January 26, 1998, by Roll Call No. 98-285, the City Council accepted a redevelopment proposal and urban renewal purchase agreement for residential construction from Des Moines Habitat for Humanity, Inc. to redevelop 107 Astor in the Capitol East Urban Renewal Area, subject to competing proposals. No competing proposals were received. The redeveloper has provided the necessary information to proceed with execution of the urban renewal purchase agreement.

The house proposed has two-stories and is approximately 1,350 square feet. It contains three bedrooms and a full basement. Construction is expected to commence May, 1998.

Evidence of Financing

The Urban Renewal Purchase Agreement for Residential Construction requires that the redeveloper provide evidence of financing to purchase the disposition parcels and construct the proposed improvements. Adequate funding for materials has been obtained and Plymouth Congregational Church has volunteers committed for the skilled work and for unskilled labor.