



Council Communication

Office of the City Manager

Date	February 12, 2007
Agenda Item No.	23
Roll Call No.	07-
Communication No.	07-080
Submitted by: Larry Hulse, Community Development Director	

AGENDA HEADING:

Approval of the acquisition plan and authorize acquisition by eminent domain for properties in the 2200 block of Forest Avenue.

SYNOPSIS:

Recommend approval of the Acquisition Plan for the 2200 block of Forest Avenue Redevelopment Project. Recommend authorizing acquisition by eminent domain of properties located at 2201 Forest Avenue, 1408 22nd Street, and 1405 23rd Street for the Forest Avenue Urban Renewal Project.

FISCAL IMPACT:

Amount: \$600,000 for the acquisition, relocation, demolition, environmental cleanup, and redevelopment of the 2200 Block of Forest Avenue (north side).

Funding Source: Fiscal Year 2006-07 Operating Budget, Community Development Block Grants (CDBG), Forest Avenue Redevelopment, SP020 CDD049900 CDBG2004034, pg. 312.

ADDITIONAL INFORMATION:

Introduction

Over the past five years, residents and organizations have been working with Council members and City staff on strategies to improve the Forest Avenue corridor. A Planning Committee of area stakeholders was organized to develop a plan for Forest Avenue. The result of this planning effort was the *Forest Avenue Corridor Strategy*. This plan called for the rehabilitation of properties in poor condition, redevelopment of underutilized land, and the cleanup of environmentally contaminated property. In order to implement the goals and objectives of the *Forest Avenue Corridor Strategy* an urban renewal plan would need to be developed and adopted. City staff continued to work with the Forest Avenue Planning Committee through this process and held several public input meetings while developing the urban renewal plan to build community consensus for the project. The Forest Avenue Urban Renewal Plan was adopted on October 24, 2005, and then amended on September 11, 2006.

Purpose of the Acquisition Plan

In 2006, the Iowa Legislature approved House File 2351 regarding government authority on eminent domain and condemnation. This newly adopted law maintains procedures allowing municipalities to use eminent domain and condemnation to eliminate slum and blight. The 2200 Block of Forest Avenue Acquisition Plan meets the requirements of the law with 75 percent or more of the area in a slum or blighted condition. Additionally, the taking of the subject properties is necessary to achieve the project

objective of multi-family residential and will eliminate or rehabilitate the slum and blighted conditions in the area.

Acquisition Plan Details

The primary objective of the Forest Avenue Urban Renewal Plan is the redevelopment of the 2200 Block of Forest Avenue for multi-family residential. In order to be economically feasible, the multi-family redevelopment must include a minimum of 15 to 18 units. This level of development would require all the land within the acquisition plan area, as well as the property at 2217 Forest Avenue that has already been acquired by the City. RDG Planning and Design drafted a conceptual site plan that depicts an 18-unit row-house type development, with the potential for an additional 6 units of row-housing in a second phase.

In order to implement this redevelopment project the City needs to acquire 2201 Forest Avenue, 1408 22nd Street, and 1405 23rd Street. These property acquisitions are necessary in order to eliminate blight and assemble a site large enough for a multi-family redevelopment project. Without acquiring the three previously mentioned properties this redevelopment project cannot occur. The City has attempted to negotiate the purchase of these properties on a voluntary basis; however, these negotiations have not been successful due to title issues that cannot be resolved and a property owner that has been unresponsive to our offer to purchase. Therefore, the use of eminent domain may be necessary to acquire these properties.

CDBG Allocations for Forest Avenue Revitalization Efforts

There have been allocations of Community Development Block Grant (CDBG) dollars for the acquisition, relocation, demolition, environmental cleanup, and redevelopment of property in the 2200 Block of Forest Avenue. City Council allocated \$300,000 of CDBG funds in 2004, \$150,000 of CDBG funds in 2005, and an additional \$150,000 of CDBG funds in 2007 for a grand total of \$600,000 in CDBG funding allocated to this project to date. Because this multi-family redevelopment is intended to be a mixed-income project with market rate and affordable units, additional CDBG or HOME allocations may be necessary to help maintain affordable rent levels.

PREVIOUS COUNCIL ACTION(S):

Date: September 11, 2006

Roll Call Number: 06-1810

Action: Resolution closing hearing on the proposed Amended Forest Avenue Urban Renewal Plan, and adopting same. Moved by Vlassis to adopt. Motion Carried 6-0.

Date: August 7, 2006

Roll Call Number: 06-1573

Action: Resolution setting date of public hearing on the proposed Amended Forest Avenue Urban Renewal Plan, (9-11-06). Moved by Vlassis to adopt. Motion Carried 6-1. Absent: Brooks.

Date: October 24, 2005

Roll Call Number: 05-2582

Action: Report and recommendation from the Plan and Zoning Commission, finding the proposed plan to be in substantial conformance with the Des Moines 2020 Community Character Land Use Plan. Moved by Vlassis to receive and file. Motion Carried 6-1. Nays: Brooks.

BOARD/COMMISSION ACTION(S):

Date: September 5, 2006

Board/ Commission: Urban Design Review Board

Action: Recommended approval of the proposed Amended Forest Avenue Urban Renewal Plan

Date: September 7, 2006

Board/ Commission: Plan and Zoning Commission

Action: Found the proposed Amended Forest Avenue Urban Renewal Plan in conformance with the *Des Moines' 2020 Community Character Plan*

Date: October 6, 2005

Board/ Commission: Plan and Zoning Commission

Action: Found the proposed Forest Avenue Urban Renewal Plan in conformance with the *Des Moines' 2020 Community Character Plan*

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

None anticipated at this time.