

Council Communication

Office of the City Manager

Date October 27, 2009

Agenda Item No. 55
Roll Call No. 08Communication No. 08-643

Submitted by: Jeb E. Brewer, P.E. City Engineer

AGENDA HEADING:

Hold hearing for the conveyance of City-owned property locally known as 1005 Maury Street, located on the south side of Maury Street between SE 10th and SE 11th Streets, to Greater Des Moines Habitat for Humanity Inc., for \$72,500.

SYNOPSIS:

Recommend approval of the conveyance of 1005 Maury Street to Greater Des Moines Habitat for Humanity Inc., c/o Jason Ekstrom, Land Development Manager, 2341 2nd Avenue, Des Moines Iowa 50303, for \$72,500. This action is required prior to making a final determination on the proposed sale by resolution. There is no current or anticipated public need for this property.

FISCAL IMPACT:

Amount: \$72,500 (Revenue)

<u>Funding Source</u>: Sale proceeds will be deposited into the Property Maintenance Endowment Fund, SP767, ENG980500. The first \$175,000 of annual proceeds to the Property Maintenance Endowment Fund will be returned to the General Fund (GE001, ENG040700) to offset the operating budget of the Engineering – Real Estate Division.

ADDITIONAL INFORMATION:

On August 7, 2006, by Roll Call No. 06-1597, the City Council approved the sale of approximately 2.06 acres of land located at 1005 Maury Street to The Southern Rose, L.P, Richard Helgeson, General Partner, 7519 East Torrey Point Circle, Mesa, Arizona 85207. The Southern Rose, L.P. proposed to construct an assisted living housing project on the property, subject to receipt of a Tax Credit Award from Iowa Finance Authority (IFA) in 2007 or 2008. The Southern Rose, L.P. applied for IFA tax credits in 2007 and 2008, but the tax credits were not approved by IFA. On September 9, 2008, The Southern Rose L.P., notified the City that they were not successful in obtaining IFA tax credits needed for financing the proposed project and that the purchase agreement must be retracted and cancelled.

On September 18, 2008, the City's Engineering Department – Real Estate Division mailed 33 new bid packets to potential developers, with a deadline of Friday October 3, 2008 to submit offers for the purchase of the property. The following three offers were received:

1. \$72,500 from Greater Des Moines Habitat for Humanity Inc. (Habitat), Lance Henning, Executive Director, 2341 2nd Avenue, Des Moines, Iowa 50303, for the construction of single-

family homes for low-income families. Said development to be coordinated with the City's Community Development Department to determine the number of homes and specific design criteria. Habitat feels that this site would be ideal for a potential Habitat blitz build that could attract national media attention.

- 2. \$25,000 from LAB Investment Company, Inc., Stephan A. Lipovac, President, 325 5th Street, West Des Moines, Iowa 50265, for the construction of 10 single family homes.
- 3. \$1.00 from Youth Emergency Services & Shelter of Iowa (YESS), Stephanie L. Riva, Board President, 918 SE 11th Street, Des Moines, IA 50309, for continued use as an accessory shelter and for recreational purposes. YESS has only offered to hold the subject property for a minimum of 36 months.

PREVIOUS COUNCIL ACTION(S):

Date: October 13, 2008

Roll Call Number: 08-1752

<u>Action</u>: <u>On</u> conveyance of 1005 Maury Street, located on the south side of Maury Street between SE 10th Street and SE 11th Street to Greater Des Moines Habitat for Humanity, Inc., \$72,500, (10-27-08). Moved by Coleman to adopt. Motion Carried 7-0.

<u>Date</u>: October 23, 2006

Roll Call Number: 06-2116

<u>Action</u>: <u>On</u> vacation and conveyance of east 10 feet of SE 10th Street, and the west 10 feet of SE 11th Street, adjoining 1005 Maury Street to Southern Rose, LP, \$5,600. (<u>Council Communication No. 06-672</u>) Moved by Kiernan to adopt. Motion Carried 6-0.

- (A) <u>First</u> consideration of ordinance above. Moved by Kiernan that this ordinance be considered and given first vote for passage. Motion Carried 6-0.
- (B) <u>Final</u> consideration of ordinance above, (waiver requested by applicant), requires six votes. Moved by Kiernan that the rule requiring that an ordinance must be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage, and that the ordinance do now pass, #14,597. Motion Carried 6-0.

Date: October 9, 2006

Roll Call Number: 06-1972

<u>Action</u>: <u>On</u> vacation and conveyance of east 10 feet of SE 10th Street, and the west 10 feet of SE 11th Street adjoining 1005 Maury Street to Southern Rose, LP, \$5,600, (10-23-06). Moved by Vlassis to adopt. Motion Carried 6-0.

Date: September 11, 2006

Roll Call Number: 06-1768

<u>Action</u>: <u>On</u> request from Richard Helgeson to rezone property in the vicinity of 1005 Maury Street from "R1-60" (One-Family Low-Density Residential) to "PUD" (Planned Unit Development) and approve a proposed "PUD" Conceptual Plan, (9-25-06). Moved by Vlassis to adopt. Motion Carried 6-0. (A) <u>Communication</u> from Plan and Zoning Commission. Moved by Vlassis to receive and file and to refer to the City Manager for further processing in accordance with standard City property disposition procedures. Motion Carried 6-0.

<u>Date</u>: August 7, 2006

Roll Call Number: 06-1597

<u>Action</u>: <u>On</u> vacation and conveyance of Hawthorne North Softball Field, located on the south side of Maury Street between SE 10th and SE 11th Streets to Southern Rose, LP, \$236,320. (<u>Council</u> <u>Communication No. 06-488</u>) Moved by Coleman to adopt. Motion Carried 5-2. Absent: Vlassis.

BOARD/COMMISSION ACTION(S):

Date: August 17, 2006

Roll Call Number: City Plan and Zoning Commission

<u>Action</u>: Approved request for vacation and conveyance of the East 10 feet of SE 10th Street and the West 10 feet of SE 11th Street adjoining 1005 Maury Street, subject to reservation of an easement for all existing utilities.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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