



# Council Communication

Office of the City Manager

Date

August 10, 2009

Agenda Item No. 20  
Roll Call No. 09-  
Communication No. 09-565  
Submitted by: **Jeb E. Brewer, P.E., City  
Engineer, and Larry Hulse, Community  
Development Director**

## AGENDA HEADING:

Acceptance of real estate documents for 1443 12<sup>th</sup> Street from Philly Tax Group, LLC for the Forest Avenue Urban Renewal Project.

## SYNOPSIS:

Recommend Council approval and acceptance of real estate documents for acquisition of property at 1443 12<sup>th</sup> Street from Philly Tax Group, LLC, James Meeks, President, P.O. Box 281856, Atlanta, GA 30384. The purpose of this acquisition is for residential redevelopment as part of the Forest Avenue Urban Renewal Project – King Irving Neighborhood. The funding source used for this acquisition requires the City to establish fair market value and comply with all other voluntary acquisition regulations under the federal Uniform Acquisition and Relocation Assistance Act (Uniform Act). The City has assisted with the construction of four new homes within a half-block radius of this property. The purchase and demolition of the house at 1443 12<sup>th</sup> Street will help to protect the City's investment in these properties and continue to enhance the neighborhood.

## FISCAL IMPACT:

Amount: \$5,000 plus closing, asbestos removal and demolition costs.

Funding Source: FY 2009-10 Operating Budget, Page 68, Community Development Block Grants, CDBG2006018, CDD-King Irving Housing Con.

## ADDITIONAL INFORMATION:

On September 11, 2006, the City Council approved the Amended Forest Avenue Urban Renewal Plan. The King Irving Neighborhood has a large number of vacant lots scattered throughout the area. The Amended Urban Renewal Plan allows for the acquisition of these lots for redevelopment of affordable, single-family housing back into the neighborhood. In addition, there are a few homes that are negatively impacting existing homes in good condition and newly constructed homes that have been built in the past few years. The federal funds allocated to this project require compliance with federal rules and regulations that dictate lead based paint abatement, income guidelines, acquisition, and relocation provisions. The Amended Urban Renewal Plan provides that eminent domain will not be used to acquire occupied structures east of M. L. King, Jr. Parkway in the King Irving portion of the area. If necessary, eminent domain may be used east of M. L. King, Jr. Parkway to acquire only vacant lots or abandoned structures.

Philly Tax Group, LLC is the owner of the vacant property at 1443 12<sup>th</sup> Street, which has been appraised by an independent appraiser in the amount of \$11,500. The property has been declared a public nuisance by the City of Des Moines and it is not financially feasible to renovate the property. The highest and best use of the property is for redevelopment with an estimated asbestos removal and demolition cost of \$16,000. The property owner has agreed to a negotiated purchase price of \$5,000, with the City being responsible for demolition costs and payment of all real estate taxes and special assessments filed against the property. No relocation assistance payment will be required for this acquisition.

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### **PREVIOUS COUNCIL ACTION(S):**

Date: September 11, 2006

Roll Call Number: 06-1810

Action: On Proposed Amended Forest Avenue Urban Renewal Plan. (Council Communication No. 06-580). Moved by Vlassis to adopt. Motion Carried 6-0.

Date: October 24, 2005

Roll Call Number: 05-2584

Action: Resolution closing hearing and approving the proposed Urban Renewal Plan. (Council Communication No. 05-601) Moved by Vlassis to adopt. Motion Carried 6-1. Nays: Brooks.

Date: October 24, 2005

Roll Call Number: 05-2583

Action: Resolution of Necessity finding the Urban Renewal Area to be a blighted area. Moved by Vlassis to adopt. 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*

Date: September 20, 2005

Board/ Commission: Urban Design Review Board

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

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Public hearing for the sale of this property for single-family housing redevelopment.

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