

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> April 11, 2011
	<b>Agenda Item No.</b> 16 <b>Roll Call No.</b> <u>11-576</u> <b>Communication No.</b> <u>11-218</u> <b>Submitted by:</b> Phil Delafield, Director Community Development

**AGENDA HEADING:**

Waiver of \$15,777.35 Demolition Special Assessment plus interest for Greater Des Moines Habitat for Humanity to develop a single family house at 2910 1st Street for sale to a low income home buyer.

**SYNOPSIS:**

By Roll Call 10-920 on June 14, 2010, the City Council requested the vacant lot at 2910 1st Street be removed from the tax sale certificate auction per Iowa Code §446.19A and assigned to Habitat for Humanity for the development of affordable housing (Lance Henning, Executive Director, 2341 Second Avenue, P.O. Box 716, Des Moines, IA 50303-0716). Habitat for Humanity has gone through the tax process and taken ownership of the vacant lot. They are not requesting the City of Des Moines waive the special assessment for demolition that is levied against the property in order to build an affordable house.

**FISCAL IMPACT:**

Amount: \$15,777.35. (\$13,587.00 Demolition Costs for 2910 1st Street, plus \$2190.33 in accrued interest)

Funding Source: FY2010-11 Operating Budget, Community Development Block Grant (demolition), SP020, CDD049900, CDBG2008019, page 106.

**ADDITIONAL INFORMATION:**

The City of Des Moines places a special assessment against a property for demolition of a structure through the public nuisance process. Annually, the City of Des Moines allocates Community Development Block Grant funds for demolition of public nuisance properties. The monies are highly valued because there is a limited amount of funds for demolition and funds are usually exhausted before the end of the calendar year.

The City has waived the demolition assessment in cases where a nonprofit intends to build or rehabilitate a single family owner-occupied home. For example, the City waived the demolition costs for a property at 1649 E. Grand Avenue for the Neighborhood Finance Corporation by Roll Call 09-108 on January 26, 2009.

The house at 2910 1st Street was demolished in 2009 and a special assessment was placed against the property in 2010. Staff recommends the assessment be waived since this project will facilitate affordable housing by a nonprofit and the lot would be otherwise not be cost-feasible to develop.

**PREVIOUS COUNCIL ACTION(S):**

Date: June 14, 2010

Roll Call Number: 10-920

Action: [City](#) Manager to remove requested properties from Polk County tax sale certificate and approve assignment of tax sale certificates to Greater Des Moines Habitat For Humanity, Inc. for development of low to moderate income owner-occupied housing. ([Council Communication No. 10-323](#)) **Moved by Hensley to adopt. Motion Carried 7-0.**

Date: January 26, 2009

Roll Call Number: 09-108

Action: [Request](#) for tax sale certificates from Polk County Treasurer's Office for 1702 Forest Avenue and 1649 E. Grand Avenue and approving agreement for assignment of tax sale certificates to NFC Properties, LLC. ([Council Communication No. 09-024](#)) **Moved by Vlassis to adopt. Motion Carried 7-0.**

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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