

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	September 26, 2011
	Agenda Item No. Roll Call No. Communication No. Submitted by:	12 <u>11-1619</u> <u>11-600</u> Phillip Delafield, Community Development Director

AGENDA HEADING:

Waive Public Nuisance Assessment of \$11,690.57 plus interest on property located at 1160 Martin Luther King Parkway to allow construction of Low Income Housing Tax Credit Project for Greystone Homes, L.P.

SYNOPSIS:

By Roll Call 11-0998 on June 13, 2011 the City Council approved an allocation of \$150,000 for construction of a scattered site Low Income Housing Tax Project for Greystone Homes, L.P. to be developed by Hatch Development (Jack Hatch and Ryan Galloway, 1312 Locust Street, 50309). The project is a Rent-to-Own (ROSE) program receiving tax credits through the Iowa Finance Authority. One site, located at 1160 Martin Luther King Jr. Parkway has a city lien of \$11,690.57 plus interest which the developer has asked to have forgiven.

FISCAL IMPACT:

Amount: \$11,609.57, plus interest since March 7, 2002

Funding Source: SP020 CDD049900 CDBG2011019 Engr-Demolition

ADDITIONAL INFORMATION:

The lien on 1160 Martin Luther King Jr. Parkway is the result of a public nuisance action at 1703 16th Street that dates from March 7, 2002 (CE 42776). In March of 2002, John Davis owned both 1160 MLK Jr. Parkway and 1703 16th Street. A City action was taken to demolish the public nuisance house at 1703 16th Street. City practice is to lien all the properties owned by the property owner if city funds are expended. Since Davis owned both properties at that time, the property at 1160 MLK Jr. Parkway was also assessed for the public nuisance action. Although Davis owned 1160 MLK Jr. Parkway in 2002, it was sold through tax sale and a variety of persons/companies are shown as owners since that time.

City Council has taken numerous actions to support the Greystone Homes, LP including sale of city land, rezoning, and commitment of \$150,000 of HOME funds to the project. In the past, the Council has waived public nuisance liens on properties if such an action supports affordable housing. The Greystone Homes project will result in building 26 new affordable units in area between 16th and Martin Luther King Parkway from High Street to Forest Avenue.

PREVIOUS COUNCIL ACTION(S):

Date: June 13, 2011

Roll Call Number: 11-0998

Action: City HOME Funds for the following: ([Council Communication No. 11-345](#)). [Des](#) Moines Greystone Homes, LP for a Low-Income Housing Tax Credit on the construction of 26 units of single-family housing at scattered sites, \$150,000. **Moved by Moore to adopt. Motion Carried 7-0.**

Date: February 28, 2011

Roll Call Number: 11-0338

Action: Support of applications to the Iowa Housing Finance Authority requesting Low-Income Housing Tax Credits as follows: ([Council Communication No. 11-142](#)) [Greystone](#) Homes, L.P. for construction of 26 units at 1120 ML King Jr. Pkwy., 1100/1108 ML King Jr. Pkwy., 1055/1059 ML King Jr. Pkwy., 1037 18th Street, 1038/1050 16th Street, 1900 Leyner Street, 1104 19th Street, 1144 19th Street, 1160 ML King Jr. Pkwy., 1901 and 1903 High Street, 1409 ML King Jr. Pkwy. and 1140 ML King Jr. Pkwy. **Moved by Hensley to adopt. Motion Carried 7-0.**

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

HOME contracts will be on City Council agenda for approval in October or November.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.