

Council Communication

Office of the City Manager

Date: November 7, 2011

Agenda Item No. 7

Roll Call No. <u>11-1847</u>

Communication No. 11-683

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

City Engineer

AGENDA HEADING:

Ordering construction of the following: Asbestos Removal at Southern Meadows Phase 2, 2800 SE 8th - Receiving bids, (11-22-11), and Setting date of hearing, (12-5-11). (Construction Estimate - \$47,500).

SYNOPSIS:

Recommend the City Council proceed with construction of the improvement and set dates to receive bids and hold a public hearing, as required by Iowa Code, utilizing the method of financing referenced below. This project includes removal of asbestos containing materials prior to demolition of the original 1921 section of the building, Southern Meadows Apartments at 2800 SE 8th Street, Des Moines, Iowa, which is the remaining portion since the addition (approximately the west half of the building) was removed last fall.

FISCAL IMPACT:

Amount: \$47,500 City Engineer's Estimate

<u>Funding Source</u>: FY12Operating Budget, Page 70, NSP - Southern Meadows, CDBG2008901, Being: Community Development Block Grant (CDBG), Neighborhood Stabilization Program (NSP) funds contracted by the Iowa Department of Economic Development (IDED).

ADDITIONAL INFORMATION:

On June 8, 2009, by Roll Call No. 09-996, the City Council approved the contract with the Iowa Department of Economic Development to allocate \$3.9 million of Neighborhood Stabilization Program Funds (NSP). The plan calls for the City to work with a coalition of housing agencies to purchase and redevelop approximately 90 foreclosed and abandoned housing units over the next four years.

As part of the NSP plan, staff expressed an interest in finding larger-scale redevelopment projects that could benefit from this program which were unlikely to occur without a subsidy. One such site is the Southern Meadows Apartments at 2800 and 2810 S.E. 8th Street. It is a 34-unit apartment building owned by the Iowa Finance Authority (IFA). IFA took ownership of the property in December 2008, after receiving a deed-in-lieu-of foreclosure. Due to the condition of the building, IFA decided to close the building and relocate the tenants to suitable interim housing prior to the City's acquisition of the property, which was approved by the City Council on September 28, 2009, under Roll Call No. 09-1743, and is now complete. The City provided relocation assistance to the tenants, in accordance with federal guidelines under the Uniform Relocation Assistance and Real Property Acquisition Policies Act. The City of Des Moines has also recently entered into a memorandum of agreement with the State Historic

Preservation Office to allow for the demolition of the Southern Meadows Apartments, under Roll Call No. 11-1583 dated September 12, 2011.

The Engineering Department has prepared plans, specifications, form of contract documents, and City Engineer's estimate for the construction of the Asbestos Removal at Southern Meadows Phase 2, 2800 SE 8th, 25-2012-012. The improvement includes removal of asbestos containing materials including caulk, stair-tread, stair-tread adhesive, gray tar, black tar, built-up-roof, flooring, and flooring adhesive; all in accordance with the contract documents, prior to the demolition of Southern Meadows Apartments, 2800 S.E. 8th Street, Des Moines, Iowa.

The estimated construction cost is \$47,500. The proposed plans, specifications, and form of contract documents are available for public inspection in the Des Moines City Engineer's Office.

PREVIOUS COUNCIL ACTION(S):

Date: September 28, 2009

Roll Call Number: 09-1743

<u>Action</u>: <u>Establishing</u> Fair Market Value and authorizing acquisition of Southern Meadows Apartments at 2800 and 2810 SE 8th Street. (<u>Council Communication No. 09-691</u>) Moved by Coleman to adopt. Motion Carried 7-0.

Date: June 8, 2009

Roll Call Number: 09-996

<u>Action</u>: <u>Neighborhood</u> Stabilization Program Contract with the Iowa Department of Economic Development (IDED). Moved by Vlassis to adopt. Motion Carried 7-0.

Date: February 23, 2009

Roll Call Number: 09-341

<u>Action</u>: On the City's plan to spend CDBG Neighborhood Stabilization Program Funds. (Council Communication No. 09-105) Moved by Coleman to adopt. Motion carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Anticipated actions include public hearing, receive and file bids, designate lowest bidder, and approve contract and bond; also partial payments to the contractor and final acceptance of work.

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