

# Council Communication

Office of the City Manager

Date: September 23, 2013

Agenda Item No. 9

Roll Call No. 13-1465 Communication No. 13-483

Submitted by: Phillip Delafield,

Community

**Development Director** 

# **AGENDA HEADING:**

Waiver of City's special assessments and inspection fees to allow for redevelopment of the properties at 1819 Clark Street by NFC Properties, LLC and 1546 22nd Street by Greater Des Moines Habitat for Humanity.

# **SYNOPSIS:**

NFC Properties, LLC has acquired a purchase agreement to acquire the house at 1819 Clark Street, which is in need of demolition and adjacent to a current NFC Properties, LLC rehab project at 1823 Clark Street. The two (2) 40-foot lots will be combined to create one (1) rehabbed single family home. The waiver of City special assessments will lower the cost of the redevelopment and make the home at 1823 Clark more affordable for a homeowner. NFC Properties, LLC is a non-profit development arm of the Neighborhood Finance Corporation (NFC), 1912 6th Avenue, Des Moines, IA 50314.

Greater Des Moines Habitat for Humanity (Habitat) has acquired the tax certificate for the lot at 1546 22nd Street. Habitat plans to build a new single family home on the site. The previous structure was demolished and waiving the demolition special assessment will allow Habitat to create an affordable housing opportunity for our community.

# **FISCAL IMPACT:**

Amount: \$ 3,108.84 plus interest costs and collection fees for 1819 Clark Street.

\$15,225.68 plus interest costs and collection fees for 1546 22<sup>nd</sup> Street.

Funding Source: SP020 CDD049900 CDBG2011019 Property Clean-up

EN301 PWK071600 Storm Water EN151 PWK100101 Solid Waste

### **ADDITIONAL INFORMATION:**

# 1819 Clark Street

NFC Properties, LLC is a development arm of the NFC. Holly Olson is the Executive Director. They are involved in rehabilitation and redevelopment of housing throughout the low and moderate-income areas of the city.

In March 2013, NFC Properties, LLC requested several special assessments be waived for the property for the house at 1823 Clark Street. NFC Properties, LLC is in the process of rehabilitating this house.

By Roll Call No. 13-0448, Council approved waiving the special assessments for 1823 Clark Street. As a part of this redevelopment project NFC Properties, LLC has a purchase agreement for the property at 1819 Clark Street. NFC Properties, LLC would demolish the home on this 42-foot lot and combine it with the 50-foot lot at 1823 Clark Street they are currently rehabilitating.

There are special assessments against this property from the City, Polk County Public Works, and Des Moines Water Works. This project will significantly improve the appearance of the neighborhood and provide a homeownership opportunity for a family.

### 1546 22nd Street

This lot was acquired by Habitat from the 2011 Polk County Tax Sale. The previous structure was a public nuisance structure demolished in 2009. The only special assessment against this property is for the demolition of the structure. Habitat plans to build a new home on the vacant lot in 2014.

# PREVIOUS COUNCIL ACTION(S):

Date: March 25, 2013

Roll Call Number: 13-0448

<u>Action</u>: <u>Waiver</u> of City's special assessments and inspection fees to allow for rehabilitation of the property at 1823 Clark Street. <u>(Council Communication No. 13-130)</u> Moved by Hensley to adopt. Motion Carried 7-0.

### ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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