

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: October 24, 2016
	Agenda Item No. 32 Roll Call No. <u>16-1829</u> Communication No. <u>16-604</u> Submitted by: Phillip Delafield, Community Development Director

AGENDA HEADING:

Approval of a development agreement with 6th Avenue Corridor, Inc. (6AC) for the acquisition and rehabilitation of the property located at 1601 6th Avenue.

SYNOPSIS:

The 6AC is requesting assistance to acquire and rehabilitate the property at 1601 6th Avenue. The elimination of blighted properties has been identified as a top priority for the 6AC. 6AC has negotiated with the current property owner to acquire both 1601 and 1605 6th Avenue. 6AC will then direct the rehabilitation of 1601 6th Avenue, also known as the former North Des Moines City Hall. The historic name for the property is the Perry & Brainard Block. Historic preservation is a pillar of the 6AC's Main Street mission.

FISCAL IMPACT:

Amount: Up to \$250,000

Funding Source: Community Development Block Grant (CDBG) – Neighborhood Revitalization Plan Implementation Funds.

ADDITIONAL INFORMATION:

- The property at 1601 6th Avenue is currently owned by Anchulee Dhugga. This commercial building was built in 1888 and was the North Des Moines City Hall Building.
- The property has been vacant for a number of years and according to the Polk County Assessor is rated in poor condition. Elimination or rehabilitation of blighted property is a top priority of the 6AC.
- 6AC is requesting assistance to acquire 1601 6th Avenue utilizing CDBG funding. The adjoining property, 1605 6th Avenue, is also owned by the same owner and will be sold to 6AC as well. The total negotiated purchase price is \$95,000.
- The 6AC is still weighing its options for 1605 6th Avenue and will either renovate the small commercial building or demolish the structure. 1605 6th Avenue is also listed in poor condition.

- Once the property has been acquired, the 6AC will select a qualified rehabilitation contractor to undertake the historic rehabilitation project. The project will create between four (4) and six (6) units of housing within the building, with the unit(s) on the main floor possibly being live-work units.
- Given the prominent location at the intersection of 6th and College, as well as the historic significance of the building to the neighborhood, this project could be a major catalyst in the ongoing revitalization efforts along 6th Avenue.

PREVIOUS COUNCIL ACTION(S):

Date: July 11, 2016

Roll Call Number: [16-1130](#)

Action: [Approval](#) of a development agreement with 6th Avenue Corridor, Inc. (6AC) for the acquisition and demolition of the property located at 1714 6th Avenue. ([Council Communication No. 16-380](#)) Moved by Hensley to adopt. Motion carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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