

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: April 3, 2017
	Agenda Item No. 15 Roll Call No. <u>17-0580</u> Communication No. <u>17-318</u> Submitted by: Phillip Delafield, Community Development Director

AGENDA HEADING:

Set Date of Public Hearing for conveyance of 832 24th Street to Lighthouse Development, LLC for redevelopment of housing.

SYNOPSIS:

- On June 13, 2016 by Roll Call No. 16-0961, the City Council authorized:
 - Submitting an affidavit to the Polk County Treasurer requesting the tax sale certificate for 832 24th Street be assigned to the City of Des Moines in accordance with Iowa Code 446.19A.
 - Directing staff to take City ownership and to work with interested parties and neighborhood organizations to find a developer through a developer-initiated proposal or through a Request for Proposal for development proposals.
- At its January 17, 2017 meeting, the Woodland Heights Neighborhood Association recommended that the Request for Proposal (RFP) be changed to new construction in conformance with the “Architectural Guidelines for New Construction in Woodland Heights” due to the condition of the existing structure.
- Staff distributed an RFP for new construction on February 7, 2016 and received one (1) complete proposal.
- Community Development staff is recommending the property be conveyed to the entity submitting the complete proposal - Lighthouse Development, LLC (Chris A. Dahlberg, 6600 University Avenue, Windsor Heights, IA 50324).

FISCAL IMPACT:

Amount: \$2,380.74 to pay 2014 tax sale certificate holder.

Funding Source: DHH00109, 527700

ADDITIONAL INFORMATION:

- On June 9, 2014 by Roll Call 14-0921, the City Council determined the real property at 832 24th Street was a public nuisance and authorized the City Legal Department to proceed with court action to abate the public nuisance, but the house is still standing at this time.
- A strategy for neighborhood revitalization is to pursue a tax sale certificate for public nuisance properties, having the City take title, and then conveying the property to a developer for rehabilitation/redevelopment.

- The RFP distributed on February 7, 2016 included requirements that the house must be sold to an owner-occupant and that the house cannot be sold for more than the appraised value.



Existing Public Nuisance House at 832 24th



Proposed House Plan

- The developer expects the budget for the project to cost \$160,000 and estimates a sale price of \$185,000.
- The new house will be 1,335 square feet with 3-bedrooms and 2 ½-baths and an unfinished basement. The existing house is 885 square feet.
- The house foundation will be poured concrete and will not be faced with brick as is shown in the picture.
- The developer will pour a new driveway off Rollins and a garage pad but is not intending to build a garage.
- The developer will use LP Lap siding or equal and dual glazed vinyl windows with a U-value of .40 or better.
- There is an outstanding 2014 tax sale certificate and a 2015 sub-payment held by UTC 23, which is a subsidiary of United Tax Certificates, of which Nick Stahley is a member. The Address of United Tax Certificates and UTC 23 is 7047 Vista Drive, West Des Moines 50266.
- Staff has negotiated a payment of \$2,380.74 to UTC, which is the amount of money the company advanced for the payment with no accrued interest.

PREVIOUS COUNCIL ACTION(S):

Date: June 13, 2016

Roll Call Number: [16-0961](#)

Action: [Request](#) to Polk County for tax sale certificates and authorizing assignment or acquisition of properties through tax sale process for the following: 832 24th Street. ([Council Communication No. 16-304](#)) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

Board: Board of Health

Date: June 9, 2014

Roll Call Number: [14-0912](#)

Action: Approving the Legal Department to proceed with court action seeking authority to abate the public nuisances at the following locations:

- (C) [832](#) 24th Street, main structure, Titleholder: Norma M. Dawson a/k/a Norma M. Chandler (deceased) and All Known and Unknown Heirs. Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Hold Public Hearing for conveyance of property on April 17, 2017.

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