

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: April 3, 2017
	Agenda Item No. 16 Roll Call No. <u>17-0581</u> Communication No. <u>17-320</u> Submitted by: Phillip Delafield, Community Development Director

AGENDA HEADING:

Set Hearing for Conveyance of Property located at 1322 Idaho to Home Opportunities Made Easy, Incorporated (HOME, Inc.) for redevelopment for housing.

SYNOPSIS:

- On June 13, 2016 by Roll Call No. 16-0962, the City Council authorized:
 - Submitting an affidavit to the Polk County Board of Supervisors requesting that the tax sale certificate for the property held by Polk County Public Works be assigned to the City of Des Moines for redevelopment of housing.
 - 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 (RFP) for development proposals.
- Home, Inc. has submitted a developer initiated proposal to demolish the existing and build a single-family or two (2) family house on the 75-foot lot.

FISCAL IMPACT:

Amount: \$27,274.62 total unpaid taxes and specials plus interest per the Polk County Treasurer’s web page. Fair Market value of \$1.00.

Funding Source: Nuisance Abatement Costs (BHNAC), CDBO1914; Storm Water Utility Fee PW 247413; Sanitary Sewer Rental Fee PW247411.

ADDITIONAL INFORMATION:

- On August 8, 2016 the City and County entered into an agreement with Polk County for the “Assignment of the Certificate of Purchase at Tax Sale” to promote housing for the property at 1322 Idaho.
- Subsequently, the City Legal Department began the acquisition process by notifying anyone with an interest in the property of the City’s intention to take tax deed and then filing an affidavit of notice with the Polk County Treasurer’s office.
- The 90-day notification period has expired and the City must take tax deed. After taking ownership, City staff will ensure delinquent special assessments and taxes have been abated prior to transferring ownership to HOME, Inc. This abatement requires action by the Polk

County Board of Supervisors as well as the Des Moines Water Works. The City will also release any outstanding special assessments per Roll Call No. 16-0962.

- The vacant house at 1322 Idaho has been a detriment to other properties on this street and in the Martin Luther King Jr. Neighborhood for several years. The house is in very poor condition and HOME, Inc. has proposed to demolish the property as part of its redevelopment plan. The Fair Market Value of the house is estimated to be \$1.00.
- Home, Inc. intends to either develop the property in 2017 or 2018 using City HOME Investment Partnership Program (HOME) funds that were preliminarily committed to its development program by Roll Call No. 16-1828 on October 24, 2016.
- Home Inc. intends to work with the neighborhood organization to determine whether to build a single or two (2) family structure and whether the dwelling unit(s) should be owner-occupied, lease purchase, or rental.

PREVIOUS COUNCIL ACTION(S):

Date: June 13, 2016

Roll Call Number: [16-0962](#)

Action: [Request](#) to Polk County Treasurer for assignment of tax sale certificates, approval of City acquisition of properties through tax deed, authorization to request release of property taxes and special assessments, and release of all City liens and special assessments for the following: 1332 Idaho Street ([Council Communication No. 16-304](#)) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Hold Public Hearing on Conveyance on April 17, 2017.

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