

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: April 17, 2017
	Agenda Item No. 50 Roll Call No. [] Communication No. <u>17-354</u> Submitted by: Phillip Delafield, Community Development Director

AGENDA HEADING:

Hold Public Hearing for Conveyance of City owned Property located at 832 24th Street to Lighthouse Development, LLC for redevelopment for housing.

SYNOPSIS:

- On April 3, 2017 by Roll Call No. 17-0580, the City Council set a date of public hearing to convey the vacant and abandoned house located at 832 24th Street to Lighthouse Development LLC for redevelopment of single-family housing in accordance with Iowa Code 446.19A.
- On June 13, 2016 by Roll Call No. 16-0961, the City Council authorized:
 - Submitting an affidavit to the Polk County Treasurer requesting that the 2016 tax sale certificate for the property 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).
- Lighthouse Development, LLC (Chris A. Dahlberg, 6600 University Avenue Windsor Heights, IA 50324) responded to an RFP for the property on March 13, 2017 to demolish the existing structure and build a single-family housing owner-occupied housing.

FISCAL IMPACT:

Amount: \$2,380.74 to pay 2014 tax sale certificate holder. There is an additional \$2,700 in unpaid taxes and special assessments and \$400 in unbilled special assessments.

Funding Source: DHH00109, 527700 to reimburse title certificate holder. Other sources: Nuisance Abatement Costs (BHNAC), CDBO1914; Storm Water utility Fee PW 247413; Sanitary Sewer Rental Fee PW 247411.

ADDITIONAL INFORMATION:

- On June 9, 2014 by Roll Call No. 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 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 affidavit period expired on April 7, 2017 and the City has taken deed.
- 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.
- 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: April 3, 2017

Roll Call Number: [17-0580](#)

Action: [On](#) conveyance of City-owned property at 832 24th Street to Lighthouse Development, LLC for redevelopment of housing, (4-17-17). ([Council Communication No. 17-318](#)) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

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: NONE

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