

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> May 8, 2017
	<b>Agenda Item No.</b> 75 <b>Roll Call No.</b> <u>17-817</u> <b>Communication No.</b> <u>17-390</u> <b>Submitted by:</b> Phillip Delafield, <b>Community Development Director</b>

**AGENDA HEADING:**

Hold public hearing for conveyance of City-owned property located at 1074 26th Street to DSMBLC Holdings, Inc. for redevelopment of housing and approving Acquisition Agreement.

**SYNOPSIS:**

- On April 17, 2017 by Roll Call No. 17-0671 the City Council set the date of Public Hearing to convey the vacant and abandoned property at 1074 26th Street to DSMBLC Holdings, Inc. for rehabilitation to single-family owner-occupied housing.
- DSMBLC Holdings, Inc. is composed of three (3) partners, Trevor Williams, Brock Beekman and Richard Buffington, P.O. Box 65817, West Des Moines, IA 50365.
- On June 13, 2016, by Roll Call No. 16-0961, the City Council authorized:
  - Submitting an affidavit to the Polk County Treasurer to acquire the tax sale certificates for 1074 26th Street.
  - Directing staff to take City ownership and to work with interested parties and neighborhood organizations to find a developer through a Request for Proposal (RFP) to acquire and renovate the property based on a rehabilitation plan for single-family owner-occupied housing and a commitment to reimburse the City its direct costs.

**FISCAL IMPACT:**

Amount: \$8,431.52 expended to acquire tax sale certificates, which DSMBLC Holdings will reimburse. Also \$5,844.88 in 2016/2017 taxes and special assessments owed.

Funding Source: Nuisance Abatement Costs (BHNAC), Storm Water utility Fee PW 247413; Sanitary Sewer Rental Fee PW 247411

**ADDITIONAL INFORMATION:**

- The City of Des Moines is now the title holder of the property at 1074 26th Street.
- The Drake Neighborhood Association has encouraged the City of Des Moines to take steps to acquire the properties at 1074 26th Street for several years. Recently the property was used as multi-family, but it has also sat vacant for many years.
- The City of Des Moines borrowed \$8,431.52 from the Polk County Housing Trust Fund to purchase the outstanding 2015 tax sale certificates on 1074 26th Street. DSMBLC Holdings, Inc. will repay this money.



- 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, publishing notice in the paper, and posting the property. Staff then filed an affidavit of notice with the Polk County Treasurer's Office.
- City staff is working with the different government agencies to ensure delinquent special assessments and taxes have been abated prior to transferring ownership to DSMBLC Holdings, 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 liens and special assessments per June 13, 2016 by Roll Call No. 16-0961.
- DSMBLC Holdings, Inc has renovated several properties in the Drake and Sherman Hill Neighborhoods. They have provided financial information and a timeframe that shows their ability to complete the project.
- The plans include rebuilding the original front porch and removing cover up siding. They will attempt to purchase land surrounding the property for an off-street parking space.

**PREVIOUS COUNCIL ACTION(S):**

Date: April 17, 2017

Roll Call Number: [17-0672](#)

Action: [On](#) conveyance of City-owned property at 1074 26th Street to DSMBLC Holdings, Inc., (5-8-17). ([Council Communication No. 17-355](#)) Moved by Hensley to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Administration Building, 400 E. Court Avenue Ste.116. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).