

 <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> 31 <b>Roll Call No.</b> <u>17-765</u> <b>Communication No.</b> <u>17-393</u> <b>Submitted by:</b> Phillip Delafield, <b>Community Development Director</b>

**AGENDA HEADING:**

Set date of public hearing for conveyance of City-owned property located at 1445 6th Avenue to 6th Avenue Corridor, Incorporated (6AC) for redevelopment of housing.

**SYNOPSIS:**

- On June 13, 2016 by Roll Call No. 16-0962, the City Council authorized:
  - Submitting an affidavit to the Polk County Treasurer 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 interest parties and neighborhood organizations to find a developer through a developer-initiated proposal or through a Request for Proposal (RFP).
- 6AC is a Main Street Organization working on the revitalization of 6th Avenue with dedicated staff and development experience (Aaron Todd, President Breann Bye, Executive Director P.O. Box 8225, Des Moines, IA 50301).
- 6AC will maintain the vacant lot until a housing development opportunity is identified.

**FISCAL IMPACT:**

Amount: \$56,825 in Property Tax and Special Assessments.

Funding Source: Nuisance Abatement Costs (BHNAC), CDBO1914; 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 1445 6th Avenue.
- The property was the site of a house declared a public nuisance in 2006 and demolished in 2008.
- The City has provided funding to 6AC to purchase several properties in the last two (2) years to improve the corridor.
- 6AC has offered to own and hold the property until future development is identified.
- The property has to be sold at its Fair Market Value (FMV) of \$12,000.
- The City can provide a 20-year mortgage at 0% interest for the vacant lot. Documented costs of maintenance, code compliance, insurance, and legal costs and services will be deducted from the mortgage at the time the property is sold and/or redeveloped.

- The tax deed requires the City approve any sale of the lot and/or redevelopment proposal.
- Any redevelopment must include residential but does not need to be owner-occupied under the terms of the deed restrictions.

**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: ([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 May 22, 2017.

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