

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: May 22, 2017
	Agenda Item No. 52 Roll Call No. <u>17-0898</u> Communication No. <u>17-435</u> Submitted by: Phillip Delafield, Community Development Director

AGENDA HEADING:

Hold public hearing for conveyance of City-owned property located at 1445 6th Avenue to 6th Avenue Corridor (6AC), Inc. and approving Acquisition Agreement.

SYNOPSIS:

- On May 8, 2017 by Roll Call No. 17-0765, the City Council set a date of public hearing on the conveyance of City-owned property at 1445 6th Avenue to 6AC, for redevelopment of housing.
- 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 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:

- On June 13, 2016 by Roll Call No. 16-0962, the City Council authorized City staff to:
 - Submit an affidavit to the Polk 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.
 - Obtain City ownership and work with interested parties and neighborhood organizations to find a redeveloper for the site.
- The City of Des Moines is now the title holder of the property at 1445 6th Avenue.
- The City has provided federal Community Development Block Grant funding (CDBG) to 6AC in the last two (2) years to improve the corridor.
- The 6AC Board has agreed to own and hold the property while trying to facilitate future development opportunities.
- 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% for the acquisition of the property by 6AC. 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.

- Following acquisition of the property, 6AC will maintain and hold the vacant lot and facilitate future development proposals restricted to housing purposes.
- Prior to redevelopment or sale of the property, buyer shall contact the Community Development Director of the City of Des Moines for review of the development proposal to ensure that it is consistent with the restrictions stated in the Deed.

PREVIOUS COUNCIL ACTION(S):

Date: May 8, 2017

Roll Call Number: [17-0765](#)

Action: [On](#) conveyance of City-owned property at 1445 6th Avenue to 6th Avenue Corridor, Inc., in conjunction with redevelopment of the property, \$12,000, (5-22-17). ([Council Communication No. 17-393](#)) Moved by Gray to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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