

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> January 8, 2018
	<b>Agenda Item No.</b> 27 <b>Roll Call No.</b> <u>18-0048</u> <b>Communication No.</b> <u>18-006</u> <b>Submitted by:</b> Phillip Delafield, Community Development Director

**AGENDA HEADING:**

Set Date of Public Hearing for conveyance of 1637 Huntland Drive to Realty Concepts, LLC for redevelopment of housing.

**SYNOPSIS:**

On May 8, 2017, by Roll Call No. 17-0756, the City Council authorized:

- Legal staff to begin the process to take ownership of the public nuisance property in accordance with State Code Section 446.19A.
- Community Development staff to distribute a Request for Proposal (RFP) that required a rehabilitation plan and proof of financial ability for rehabilitation of the house.

Staff distributed an RFP for rehabilitation on November 16, 2017 and is recommending the property be conveyed to the entity submitting the completed proposal: Realty Concepts, LLC, Adam Metzker, President, 4225 Fleur Drive, #171, Des Moines, Iowa 50321.

**FISCAL IMPACT:**

Amount: \$12,889.60 paid to tax sale certificate holder  
\$14,690.18 to City of Des Moines from Realty Concepts, LLC

Funding Source: DHH00109 52770

**ADDITIONAL INFORMATION:**

- On March 9, 2015, by Roll Call No. 15-0463, the City Council determined that the real property at 1637 Huntland Drive was a public nuisance and authorized the City Legal Department to proceed with court action seeking authority to abate the public nuisance.
- The estimated cost of the demolition is over \$15,000.
- A strategy for neighborhood revitalization and lessening City expenditures 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.



- By Roll Call No. 17-0756, on May 8, 2017, the City Council approved several actions to direct staff to proceed to acquire the tax sale deed to the property and find a single-family developer to rehabilitate the structure.
- The City purchased an earlier tax sale certificate for a negotiated price of \$12,889.60 and proceeded to send notice to any entity with an interest in the property.
- The time period for redemption has expired by any owner or interested party, and the City will take tax deed prior to January 22, 2018.
- Upon taking ownership the City Special Assessments and liens will be released against the property but not against any previous title holder.
- The County will release any delinquent taxes upon the City taking ownership at the City's request.
- The RFP distributed on November 16, 2017 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.
- The developer expects the budget for the redevelopment to be approximately \$153,000 and the sale to be approximately \$195,000.
- The developer plans to finish the basement to add living space and construct a garage on the east side of the property.

**PREVIOUS COUNCIL ACTION(S):**

Date: May 8, 2017

Roll Call Number: [17-0756](#)

Action: [Request](#) to purchase 2015 Tax Sale Certificate from the current certificate holder and to request the Polk County Treasurer to assign the 2017 Tax Sale Certificate to the City of Des Moines for property located at 1637 Huntland Drive. ([Council Communication No. 17-396](#)) Moved by Hensley to adopt. Motion Carried 7-0.

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

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Hold date of public hearing.

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