


COUNCIL COMMUNICATION

 <p>CITY OF DES MOINES OFFICE OF THE CITY MANAGER</p>	Number:	19-003	Meeting:	January 14, 2019
	Agenda Item:	51	Roll Call:	19-0076
	Submitted by:	Chris Johansen, Community Development Director		

AGENDA HEADING:

Hold Hearing for Conveyance of City-Owned Properties located at 1124 13th Street and 1311 Laurel Street to Indigo Dawn, LLC for Redevelopment of Housing and Approval of Agreement.

SYNOPSIS:

- On February 5, 2018, by Roll Call No. 18-0204, the City Council authorized:
 - Legal staff to begin the process to take ownership of the two (2) properties located at 1124 13th Street and 1311 Laurel Street (collectively “properties”) in accordance with State Code Section 446.19A.
 - Community Development Staff to distribute a Request for Proposal (RFP) to developers to acquire and renovate said properties based on an approved rehabilitation plan and proof of financial ability.
- Staff distributed an RFP for rehabilitation on May 6, 2018 and is recommending the property be conveyed to the entity submitting the completed proposal: Indigo Dawn, LLC, Chaden Halfhill, Managing Member, 800 19th Street Suite 300, Des Moines, Iowa 50014.
- On December 17, 2018, by Roll Call 18-2065, the Des Moines City Council set a date of public hearing on conveyance of City-owned properties located at 1124 13th Street and 1311 Laurel Street to Indigo Dawn, LLC.

FISCAL IMPACT:

Amount: \$200 to City of Des Moines from Indigo Dawn, LLC

Funding Source: Community Development Department Budget Page 57, Special Revenue, Nongrant CD046000/482450

ADDITIONAL INFORMATION:

- On December 19, 2011, by Roll Call No. 11-2158, the City Council determined that the real property at 1124 13th Street was a public nuisance and authorized the City Legal Department to proceed with court action seeking authority to abate the public nuisance.
- The property at 1311 Laurel Street has been vacant and in violation of the City’s housing code for several months.

- On February 5, 2018, by Roll Call No. 18-0204, the City Council approved several actions to direct staff to acquire the tax sale deed to the two (2) properties and find a single-family developer to rehabilitate the structures.
- On May 16, 2018, the City Community Development staff distributed a RFP to redevelopers of single-family housing in order to select a developer to complete the necessary development on the two (2) properties for housing use. Indigo Dawn, LLC responded to the RFP and was selected by the reviewers as the recommended developer for the purpose of said redevelopment.



1311 Laurel Street



1124h Street

- The time period for redemption by any owner or interested party has expired and the City took the tax deed on January 8, 2019.
- Upon taking ownership, the City Special Assessments and liens will be released against the property.
- The County will release any delinquent taxes upon the City taking ownership at the City's request.
- The developer expects the budget for the redevelopment of 1124 13th Street to be approximately \$334,849.89.

- The developer expects the budget for the redevelopment of 1311 Laurel Street to be approximately \$261,840.11

PREVIOUS COUNCIL ACTION(S):

Date: February 5, 2018

Roll Call Number: [18-0204](#)

Action: [Request](#) to Polk County Board of Supervisors to assign tax sale certificates of purchase to the City, authorization for execution of Polk County Agreements, 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 in order to encourage housing redevelopment at 1311 Laurel Street and 1124 13th Street. ([Council Communication No. 18-045](#)) Moved by Gatto to adopt. Motion Carried 7-0.

Date: July 23, 2018

Roll Call Number: [18-1258](#)

Action: [Resolution](#) in support of a Workforce Housing Tax Credit (WHTC) benefit application to be submitted to the Iowa Economic Development Authority (IEDA) by Indigo Dawn, LLC for a scattered site house rehabilitation project at 1124 13th Street, 1311 Laurel Street and 1345 7th Street. ([Council Communication No. 18-393](#)). Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Board of Health

Date: December 19, 2011

Resolution Number: [11-2158](#)

Action: Approving the Legal Department to proceed with court action seeking authority to abate the public nuisance at the property located at 1124 13th Street, Des Moines, Iowa. Main structure, Titleholder Samuel Tiger (deceased). Moved by Mahaffey to adopt. Motion Carried 7-0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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