

## COUNCIL COMMUNICATION

	Number:	<b>23-002</b>	Meeting:	<b>January 9, 2023</b>
	Agenda Item:	<b>29</b>	Roll Call:	<b>23-0036</b>
	Submitted by:	<b>Chris Johansen, Neighborhood Services Department Director</b>		

### AGENDA HEADING:

Resolution authorizing partial release of judgement lien (2229 Elizabeth Avenue).

### SYNOPSIS:

Greater Des Moines Habitat for Humanity (Habitat) is requesting the City of Des Moines release a judgment against a vacant lot at 2229 Elizabeth Avenue. The property accrued \$36,131.24 in costs from the City due to public nuisance demolition. The nuisance has been abated, and title has been transferred to Habitat. Releasing the judgment against the property will clear the title and allow Habitat to build a new single-family home to sell to an income-qualified home buyer. A judgment against the previous owner, Jenó E. Rigley, remains in place.

### FISCAL IMPACT:

Amount: Waiver of the cost of the public nuisance demolition in the amount of \$36,131.24.

Funding Source: Fiscal Year (FY)2023 Operating Budget, Finance Department, Local Option Sales and Service Tax (LOSST), Neighborhood Improvements, Blitz on Blight, p. 82 (ND414000/ 527670/ LT201 /LT20100001).

### ADDITIONAL INFORMATION:

- The City of Des Moines has a judgment lien for \$36,131.24 against 2229 Elizabeth Avenue for costs related to nuisance abatement, enforcement, and legal processes. The property, previously owned by Jenó E. Rigley, was demolished. It was then transferred via the tax certificate and deed process to a new owner, C1-9, LLC. C1-9, LLC then sold the property to Greater Des Moines Habitat for Humanity on November 2, 2022.
- Greater Des Moines Habitat for Humanity has requested the City of Des Moines release the judgment against the property to clear the title. A judgment against the previous owner, Jenó E. Rigley, would not be released.
- Habitat intends to build a new single-family home on the property in 2023. Once construction is complete, the house will be sold to low-income homebuyer earning between 30% and 80% of the area median income. For example, a family of four (4) earning between \$29,550 and \$78,800 a year would be income eligible.

- When evaluating a homebuyer, other factors include their contribution to sweat equity, other long-term debt, and participation in homebuyer and financial education classes. The homebuyers purchase the homes through a below-market-rate mortgage, and monthly house payments, including taxes and insurance, are below 30% of their monthly income.

**PREVIOUS COUNCIL ACTION(S):**

Date: June 24, 2019

Roll Call Number: [19-1016](#)

Action: Abatement of public nuisances at the following:

(A) [2229](#) Elizabeth Avenue.

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

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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