


COUNCIL COMMUNICATION

	Number:	25-270	Meeting:	July 14, 2025
	Agenda Item:	39	Roll Call:	25-0992
	Submitted by:	Chris Johansen, Neighborhood Services Department Director		

AGENDA HEADING:

Hold hearing for conveyance of City-owned property at 1552 23rd Street and 1706 23rd Street to Greater Des Moines Habitat for Humanity (GDMHH) for redevelopment of housing.

SYNOPSIS:

The City has requested and been issued the tax sale deeds for 1552 23rd Street and 1706 23rd Street and has an agreement with GDMHH to redevelop the parcels for housing. This action is to hold a hearing and consider sale of the property to GDMHH.

FISCAL IMPACT:

Amount: The anticipated revenue is \$15,501.

Funding Source: NS046000 / 521035

ADDITIONAL INFORMATION:

- 1552 23rd Street and 1706 23rd Street were part of the tax sale and had open tax sale certificates with Polk County for more than a decade. No property owner paid the taxes and special assessments due, and the City was issued the tax sale deed for the properties.
- 1552 23rd Street was a public nuisance, demolished by the City over a decade ago. Prior to City intervention, the property was encumbered with \$60,896.06 in unpaid taxes within the tax sale certificate and \$29,217.39 in other unpaid special assessments and taxes (Total \$90,113.45).
- 1706 23rd Street has structure that has been vacant for many years. Prior to City intervention, the property was encumbered with \$52,784.05 in unpaid taxes within the tax sale certificate and \$26,975.98 in other unpaid special assessments and taxes (Total \$79,760.03).
- Redevelopment of these properties remediates a long time vacant and abandoned property and two (2) properties that have had weed, junk, and debris issues for multiple years. Until the homes are rebuilt, GDMHH will be the owner of and provide maintenance and mowing of the properties.
- Prior to requesting the tax sale certificates, GDMHH entered into a development agreement with the City about collaboration in the redevelopment of 1552 and 1706 23rd Street, though identified that substantial unpaid taxes were a barrier to the nonprofit in acquiring the property.

- In preparation for the disposition process, an additional development agreement has been drafted and includes expectations of meeting the building materials as required in Article H of the Fourth Restated Urban Revitalization Plan for the City-wide Urban Revitalization Area, as amended which includes expectations about exterior cladding.
- GDMHH is committing to demolishing 1706 23rd Street and rebuilding a new single-family home on the site. Because GDMHH is completing the demolition, a project gap has emerged, and the proposed sale price is \$1 in exchange for GDMHH completing the demolition and rebuild. GDMHH is anticipating investing \$290,818 for the redevelopment of 1706 23rd Street.
- GDMHH is committing to building a new single-family home at 1552 23rd Street. City of Des Moines Real Estate has evaluated the Fair Market Value of \$15,500 and this matches the offer. GDMHH is anticipating investing \$282,320 in the redevelopment of 1552 23rd Street.

PREVIOUS COUNCIL ACTION(S):

Date: June 30, 2025

Roll Call Number: [25-0910](#)

Action: [On](#) conveyance of City-owned property at 1552 23rd Street and 1706 23rd Street to GDMHH for redevelopment of housing, (7-14-25). Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

Date: April 15, 2024

Roll Call Number: [24-0584](#)

Action: [Request](#) to Polk County and approving development agreements of tax sale properties for development and/or rehabilitation of housing. ([Council Communication No. 24-160](#)) Moved by Coleman to adopt. Second by Gatto. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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