

COUNCIL COMMUNICATION

	Number:	25-355	Meeting:	September 29, 2025
	Agenda Item:	59	Roll Call:	25-1316
	Submitted by:	Chris Johansen, Neighborhood Services Department Director		

AGENDA HEADING:

Hold hearing for conveyance of city-owned property at 930 Thornton Avenue to Greater Des Moines Habitat for Humanity (GDMHH) for rehabilitation of housing.

SYNOPSIS:

The City has requested and been issued the tax sale deed for 930 Thornton Avenue and has a proposal from GDMHH to rehabilitate the home. This action is to hold a hearing and consider sale of the property to GDMHH.

FISCAL IMPACT:

Amount: Maximum anticipated revenue is \$75,000

Funding Source: NS046000/521035

ADDITIONAL INFORMATION:

- The City of Des Moines acquired 930 Thornton Avenue through the tax sale process. The prior owner is deceased, and the property has been vacant for multiple years and is significantly deteriorated.
- GDMHH has agreed to complete a full house rehab of the property and work through terms that would enable it to come into the Central Iowa Community Land Trust (CICLT) post-rehab. It is anticipated that the rehab will be completed in late spring/early summer 2026.
- The Council's current action for consideration is to convey to GDMHH with a forgivable mortgage to enable the City to monitor the project and terms of resale.
- With this action, the City of Des Moines would convey the property to GDMHH with an interest free, forgivable mortgage for the Fair Market Value of the property in its current state. The terms of the forgiveness will be completion of the rehab, sale of the improvements to an income qualified buyer, and transfer of the land into a program that permanently protects affordability, such as the CICLT. GDMHH and CICLT will need to communicate around terms of conveyance, home buyer counseling, and home buyer selection.

- This is a distressed property currently. An extensive rehab is required. The proposed rehab budget without the cost of the structure itself is \$205,591. The exterior has some repair needs, though small in scope. The interior work required is substantial. All mechanicals must be replaced. Nearly all walls and ceilings are damaged and require repair or replacement. The terms of the forgivable mortgage enable the City to document the project gap and the goods and service the City is receiving with this project.
- The proposed sale and rehab of the home contribute to the City of Des Moines's rehab needs without additional expenditure – while there is anticipated construction gap, GDMHH has fundraised and secured in kind services for a portion of these costs.

PREVIOUS COUNCIL ACTION(S):

Date: September 8, 2025

Roll Call Number: [25-1206](#)

Action: [On](#) conveyance of City-owned property at 930 Thornton Avenue to GDMHH for rehabilitation of housing, (9-29-25). Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

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

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