★ **Roll Call Number**

Agenda Item Number
15

Date April 3, 2017

SET HEARING FOR CONVEYANCE OF CITY-OWNED PROPERTY LOCATED AT 832 24th STREET TO LIGHTHOUSE DEVELOPMENT, LLC FOR REDEVELOPMENT OF HOUSING

WHEREAS, Iowa Code Section 446.19A permits cities to acquire tax sale certificates for abandoned property assessed as residential property or as commercial multifamily property or vacant residential lots at a tax sale without paying the taxes then due, to obtain the assignment of outstanding tax sale certificates by payment to the certificate holder the amount then due to redeem the certificate, and to further assign said certificates, all for the purpose of encouraging the acquisition and rehabilitation of abandoned dwellings and lots; and

WHEREAS, on June 13, 2016, by Roll Call No. 16-0961, the City Council approved acquisition of the vacant and abandoned house locally known as 832 24th Street ("Property") by tax sale deed, authorized the Community Development Director to request release of property taxes and special assessments, authorized release of all City liens and special assessments in order to encourage housing redevelopment and directed staff to distribute a Request for Proposal (RFP) to developers to acquire and renovate the Property based on a rehabilitation plan; and

WHEREAS, on June 9, 2014, by Roll Call No. 14-0921, the City Council determined that the real property at 832 24th Street was a public nuisance and authorized the City Legal Department to proceed with court action seeking authority to abate the public nuisance; and

WHEREAS, as of January 2017, the City staff believes the property is damaged beyond repair, and the Woodland Heights Neighborhood Association agrees and recommends the demolition of the existing structure and construction of a new single family owner-occupied home, which requires submitting an updated affidavit to the Polk County Treasurer's Office as required in the tax sale process; and

WHEREAS, there is an outstanding 2014 tax sale certificate and 2015 sub payment held by United Tax Certificates (UTC 41), and staff has negotiated a payment of $2,380.74, equaling the original investment by said tax sale certificate holder without accrued interest; and

WHEREAS, the City intends to accept title to the Property by tax sale deed on or before April 17, 2017, in order to comply with the statutory tax sale process; and

WHEREAS, the City staff distributed a Request for Proposal (RFP) to redevelopers of single family housing in order to select a developer to complete the necessary development on the Property for housing use; and

WHEREAS, Lighthouse Development, L.L.C responded to the RFP and was selected by the reviewers as the recommended developer for the purpose of said redevelopment; and

WHEREAS, if approved, the proposed conveyance by the City to Lighthouse Development, L.L.C. will be governed by and subject to approval of an acquisition agreement between Lighthouse Development, L.L.C. and the City of Des Moines, which agreement will be submitted to City Council for

consideration concurrently with the public hearing on the sale, and will further be subject to completion by the City of the tax sale process and acquisition of the Property by tax sale deed; and

WHEREAS, deed restrictions containing single-family owner-occupancy requirements and compliance with the conditions of the RFP and submitted proposal will be included in the deed conveying the Property to Lighthouse Development, L.L.C.; and

WHEREAS, there is no known current or future public need for the Property proposed to be sold and the City will not be inconvenienced by the sale of said Property.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that:

1. Following and subject to completion of the tax sale process and issuance of the tax sale deed, the City of Des Moines, Iowa proposes to convey real property locally known as 832 24th Street, legally described below, to Lighthouse Development, L.L.C.in exchange for $1,000.00 and in-kind consideration in the form of development of the property by rehabilitation and/or redevelopment for housing purposes:

   Lot 5 in IRA P. Wetmore's Addition to Des Moines, an Official Plat, all now included in and forming a part of the City of Des Moines, Polk County, Iowa.

2. The City shall reimburse United Tax Certificates (UTC 41) for the 2014 tax sale certificate and 2015 sub payment in an amount of $2,380.74, and the Finance Department is authorized and directed to issue said payment.

3. The Community Development Director is authorized and directed to execute and submit an updated affidavit to the Polk County Treasurer indicating the current condition of the property.

4. A public hearing shall be held on April 17, 2017 at 5:00 p.m. in the Richard A. Clark Municipal Service Center (MSC), located at 1551 E. Martin Luther King, Jr. Parkway, Des Moines, Iowa. At that time the City Council will consider the above described proposal and any other(s) submitted prior to or during the public hearing.

5. The City Clerk is authorized and directed to publish notice of the proposal and hearing in the form hereto attached, all in accordance with Section 362.3 of the Iowa Code.

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Date April 3, 2017

(Council Communication No. 17-318)

MOVED BY _____ TO ADOPT.

APPROVED AS TO FORM:

Glenna K. Frank

Glenna K. Frank, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GREY				
HENSLEY				
MOORE				
WESTERGAARD				
TOTAL				

MOTION CARRIED APPROVED

_____ Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

_____ City Clerk