

Date May 8, 2017

SET HEARING FOR CONVEYANCE OF CITY-OWNED PROPERTY LOCATED AT 1321 FREMONT STREET TO COMMUNITY HOUSING INITIATIVES, INC.

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 September 28, 2015, by Roll Call No. 15-1618, the City Council approved execution of a contract with Polk County for acquisition of the vacant and abandoned property locally known as 1321 Fremont 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 or work with neighborhood organizations and interested parties on developer-initiated proposals to acquire and construct single-family houses; and

WHEREAS, the City intends to accept title to the Property by tax sale deed on or before May 27, 2017, in order to comply with the statutory tax sale process; and

WHEREAS, Community Housing Initiatives, Inc. (CHI) is a nonprofit housing development organization which the City is working with on the revitalization and redevelopment of the East Bank Neighborhoods and with dedicated staff and extensive redevelopment experience; and

WHEREAS, if approved, the proposed conveyance by the City to CHI will be governed by and subject to approval of an acquisition agreement between CHI 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 on the sale and development will be included in the deed conveying the Property to CHI and the City will provide a 20-year, \$6,000 balloon payment mortgage, at zero percent interest, with CHI from which costs of maintenance, code compliance, insurance, and legal costs and services will be deducted at the time the property is sold and/or developed; 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 1321 Fremont

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Street, legally described below, to Community Housing Initiatives, Inc. in exchange for \$6,000.00 and in-kind consideration in the form of redevelopment of the property for housing purposes, subject to a 20-year, \$6,000 balloon payment mortgage at zero percent interest:

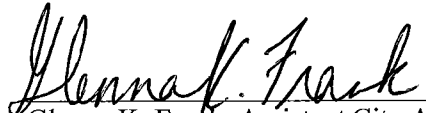
Lot 23, Block 30, Stewart's Addition to the City of Des Moines, an Official Plat, all now included in and forming a part of the city of Des Moines, Polk County, Iowa.

2. A public hearing shall be held on May 22, 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.
3. 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.

(Council Communication No. 17-392)

MOVED BY _____ TO ADOPT.

APPROVED AS TO FORM:


Glenna K. Frank, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
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