



Roll Call Number

17-0137

Agenda Item Number

43

Date January 23, 2017

**HOLD HEARING FOR CONVEYANCE OF CITY-OWNED PROPERTY LOCATED AT 1520 32<sup>ND</sup> STREET TO RALLY CAP PROPERTIES, LLC FOR REHABILITATION OF HOUSING, AND APPROVING ACQUISITION AGREEMENT**

**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. 15-1619, the City Council approved acquisition of the vacant and abandoned house locally known as 1520 32<sup>nd</sup> 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**, the City intends to accept title to the Property by tax sale in compliance with the statutory tax sale process on or before January 23, 2017; 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**, Rally Cap Properties, LLC 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 Rally Cap Properties, LLC will be governed by and subject to approval of an acquisition agreement between Rally Cap Properties, LLC and the City of Des Moines, which agreement is on file with the City Clerk, and will further be subject to restrictions included in the deed conveying the Property to Rally Cap Properties, LLC; and

**WHEREAS**, deed restrictions for 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 Rally Cap Properties, LLC; 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; and

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**WHEREAS**, on January 9, 2017, by Roll Call 17-0035, it was duly resolved by the City Council that the proposed conveyance of the Property to Rally Cap Properties, LLC be set down for hearing on January 23, 2017, at 5:00 p.m., in the City Council Chambers; and

**WHEREAS**, due notice of the proposal was published as provided by law in the Des Moines Register, setting forth the time and place for hearing on the proposal; and

**WHEREAS**, in accordance with City Council direction, those interested in this proposed conveyance, both for and against, have been given an opportunity to be heard with respect thereto and have presented their views to the City Council.

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

1. Upon due consideration of the facts and statements of interested persons, any and all objections to the proposed conveyance of the real property as described below are hereby overruled and the hearing is closed.
2. There is no public need for the real property described below and the public would not be inconvenienced by reason of the conveyance of the property locally known as 1520 32<sup>nd</sup> Street, Des Moines Iowa, legally described as follows:

Lots 8 and 9 in Block 3 in Merritt and Fischer's Park, an Official Plat, all now included in and forming a part of the City of Des Moines, Polk County, Iowa.

3. That the sale and conveyance of such property to Rally Cap, Properties LLC for \$1.00 and the in-kind consideration of rehabilitation of the Property in accordance with the acquisition agreement and the response to RFP submitted by Rally Cap Properties, LLC, together with payment by such grantee of the estimated publication and recording costs in the amount of \$113.00 for this transaction, and with closing subject to the terms and conditions set forth herein above and included in the acquisition agreement and Offer to Purchase between the City and Rally Cap, LLC, be and is hereby approved.
4. That the Agreement between the City of Des Moines and Rally Cap Properties LLC for Acquisition and Rehabilitation/Redevelopment of City Property, including the Offer to Purchase attached thereto, be and is hereby approved.
5. The Mayor is authorized and directed to sign said Agreement, the Offer, and Quit Claim Deed for the conveyance as identified above, and the City Clerk is authorized and directed to attest to the Mayor's signature and to forward the original of the Offer, said Agreement, and Quit Claim Deed, together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing, to the Real Estate Division of the Engineering Department.

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- 6. Upon fulfillment of the conditions set forth herein above and in the acquisition agreement and Offer to Purchase, the Real Estate Division Manager is authorized and directed to close upon the sale of the above-described property to Rally Cap Properties, LLC and to forward the original Quit Claim Deed, together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing, to the Polk County Recorder's Office for the purpose of causing these documents to be recorded.
- 7. Upon receipt of the recorded documents back from the Polk County Recorder, the Real Estate Division Manager shall mail the original of the Quit Claim Deed and copies of the other documents to the grantee.

(Council Communication No. 17-031)

MOVED BY Gray 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	7			

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.

Diane Rauh City Clerk

T. M. Franklin Mayor