



Roll Call Number

17-0707

Agenda Item Number

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Date April 17, 2017

**HOLD 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, 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, in form on file in the office of the City Clerk, 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



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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; and

WHEREAS, on April 3, 2017, by Roll Call 17-0580, it was duly resolved by the City Council that the proposed conveyance of the Property to Lighthouse Development, L.L.C. be set down for hearing on April 17, 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 832 24th Street, Des Moines Iowa, legally described as follows:

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.

3. That the sale and conveyance of such property to Lighthouse Development, L.L.C. for \$1,000.00 and the in-kind consideration of development of the Property by rehabilitation and/or redevelopment for housing purposes in accordance with the acquisition agreement and the proposal submitted by Lighthouse Development, L.L.C., 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 Lighthouse Development, L.L.C., be and is hereby approved.
4. That the Agreement between the City of Des Moines and Lighthouse Development, L.L.C. 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 Lighthouse Development, L.L.C. 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.
- 8. Non- project related proceeds are used to support redevelopment/rehabilitation expenses for costs associated with future properties acquired through tax sale certificate process: Org – CD046000.

(Council Communication No. 17-354)

MOVED BY Hensley TO ADOPT.

APPROVED AS TO FORM:

Glenna K. Frank, Assistant City Attorney

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

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.

T. M. Franken Council Mayor

Diane Rauh City Clerk