	Council Communication Office of the City Manager	**Date:** June 24, 2013 **Agenda Item No.** 31 **Roll Call No.** [_____] **Communication No.** 13-328 **Submitted by:** Phillip Delafield, Community Development Director

AGENDA HEADING:

Approving Donation Agreement with Wells Fargo Bank, N.A. for Acceptance of Real Estate Located at 1406 21st Street and Set Hearing for Conveyance of City Owned Property Located at 1406 21st Street to Anawim Housing for $4,800.

SYNOPSIS:

Wells Fargo has foreclosed on a property at 1406 21st in the Drake Neighborhood. Wells Fargo will tear down the house located on the lot due to its condition and has offered the lot to the City of Des Moines under the REO (Real Estate Owned) Donation and Discounted Sales Program. The property is north of Forest Avenue and could be a part of a redevelopment project at some future date. Anawim Housing has expressed interest in the property because of its proximity to their offices.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

City staff was contacted in late May by Wells Fargo Bank, N.A. concerning the donation of a property at 1406 21st Street upon which they had foreclosed. A vacant house is currently on the lot but Wells Fargo intends to remove the house because of its condition and asked if the City was interested in acquiring the lot. City staff had previously spoken to Anawim Housing concerning the vacant house because of its proximity to their offices.

The vacant lot is adjacent to several small properties with Forest Avenue frontage. Anawim is in negotiation with two of the property owners adjacent to this lot for acquisition of the land/buildings that adjoin Forest Avenue. The Neighborhood Development Corporation owns a portion of the commercial building that fronts Forest Avenue and is willing to sell the property to Anawim at a very reasonable price.

The half block also contains Forest Mart which has had a large number of police calls over the past year including at least one assault. The owner of Forest Mart has not been willing to negotiate with Anawim on sale of his building to Anawim.

This lot will be integral to any redevelopment of the site or rehabilitation of the buildings along Forest Avenue. It could be used for parking for a mixed use development or may also be used for building space. Anawim is willing to pay fair market value of $4,800 for the lot.

Wells Fargo will provide clear title to the property, pay taxes up to the day of closing, pay all past utility bills and pay for closing costs to transfer title.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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