


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	23-467	Meeting:	October 23, 2023
	Agenda Item:	63	Roll Call:	23-1471
	Submitted by:	Chris Johansen, Neighborhood Services Department Director		

AGENDA HEADING:

Hold hearing for conveyance of City-owned property at 3116 Lincoln Avenue to Home Opportunities Made Easy, Inc. (HOME, Inc.) for redevelopment of housing.

SYNOPSIS:

Through a Request for Proposals, HOME, Inc. has been identified to take ownership and redevelop 3116 Lincoln Avenue. This action is to hold the hearing, consider sale of the property to, and approve the development agreement with HOME, Inc.

FISCAL IMPACT:

Amount: \$30,000

Funding Source: General Fund, Unallocated: Org - ND405643

ADDITIONAL INFORMATION:

- The property was acquired through a voluntary acquisition program in 2018 in response to flash flooding. Properties that were outside of the flood plain were evaluated for appropriateness for redevelopment by looking at the storm water system, sewer system, what was known about the condition of the prior structure, and other factors. Staff review identified this property as appropriate for infill development.
- In the summer of 2023, Neighborhood Services in partnership with the Real Estate Division ran a request for proposals process to seek qualified developers to acquire the property. Two (2) proposals came in for 3116 Lincoln Avenue. HOME, Inc. scored the highest.
- Within the redevelopment proposal, HOME, Inc. will explore the possibility of splitting the parcel to build multiple new homes. Depending on if and how the lot can be divided, HOME, Inc. anticipates an additional \$360,000 - \$1,000,000 investment in the redevelopment of the property and an anticipated resale of \$250,000 per home.
- A restrictive covenant will be placed on the property as part of the sale that ensures a housing end use, prioritizes a single-family owner-occupied home, though does allow for a licensed rental with notice to the City.

PREVIOUS COUNCIL ACTION(S):

Date: October 2, 2023

Roll Call Number: [23-1319](#)

Action: [On](#) conveyance of City-owned property at 3116 Lincoln Avenue to HOME, Inc. for redevelopment of housing, (10-23-23). Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-0.

Date: July 16, 2018

Roll Call Number: [18-1218](#)

Action: [Authorizing](#) the City Manager to develop and implement a limited administrative plan for the voluntary property acquisition of certain one (1) and two (2)-family residential flood damaged properties on a not to exceed basis. ([Council Communication No. 18-370](#)) Moved by Gatto to adopt; refer to the City Manager to reach out to our partners at the Polk County Conservation Board and the Polk County Board of Supervisors regarding assistance with funding, and to increase the “not to exceed” amount to \$11,500,000. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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