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Date December 8, 2014

**RESOLUTION APPROVING ASSIGNMENT OF TAX SALE CERTIFICATE
TO NFC PROPERTIES, LLC FOR REHABILITATION OF HOUSING AT 671 37TH STREET**

WHEREAS, Iowa Code Section 446.19A permits cities to acquire tax sale certificates for abandoned property assessed as residential property or as commercial multifamily housing property, or for vacant lots zoned to allow for residential structures, at a tax sale without paying the taxes then due, and to obtain the assignment of outstanding tax sale certificates by payment to the certificate holder of the amount then due to redeem the certificate, for the purpose of encouraging the acquisition and rehabilitation of abandoned dwellings and vacant lots for residential purposes; and

WHEREAS, the real property locally known as 671 37th Street is assessed and zoned residentially, and the structure thereon has been determined by City staff to have remained vacant and in violation of the City's Housing Code for a period in excess of six consecutive months, in accordance with the requirements of Iowa Code Section 446.19A, and said structure is in danger of becoming a public nuisance; and

WHEREAS, on June 9, 2014, by Roll Call 14-0864, the City Council of the City of Des Moines approved a request to the Polk County Treasurer for assignment of the 2013 Tax Sale Certificate for 671 37th Street in order to distribute a Request For Proposal (RFP) to locate a developer to acquire and renovate the property based on an approved rehabilitation plan, and further received a communication from the North of Grand Neighborhood Association in favor of the acquisition and rehabilitation of the property for owner occupancy; and

WHEREAS, no responses were received to the Request for Proposal for acquisition and rehabilitation due to concerns regarding the structural integrity of the residence; and

WHEREAS, NFC Properties, LLC (Neighborhood Finance Corporation (NFC) Offices, 1912 6th Avenue, Des Moines, 50314; Stephanie Preusch, Executive Director) has now expressed interest in acquiring and rehabilitating the property due to Neighborhood Finance Corporation's (NFC) lending ability in the North of Grand Neighborhood and commitment to neighborhood revitalization; and

WHEREAS, the City of Des Moines has successfully worked with the NFC Properties, LLC on other rehabilitation projects; and

WHEREAS, while no commitment of federal HUD funds is being made at this time and NFC Properties, LLC is not pursuing acquisition of the property with the intention of using any federal funds, such funds may be available upon underwriting the cost of the rehabilitation and completion of an Environmental Review Record; and

WHEREAS, City staff and NFC Properties, LLC have negotiated an agreement, on file in the office of the City Clerk, whereby the City will assign the tax sale certificate for the Property to NFC Properties, LLC, in exchange for payment by NFC Properties, LLC to reimburse the City for the incurred cost of acquiring the certificate and recording by NFC Properties, LLC of Restrictive Covenants setting forth the City's development requirements for the Property.



Date December 8, 2014

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

1. The assignment by the City of the tax sale certificate for the real property locally known as 671 37th Street, Des Moines, and legally described as follows, is hereby approved subject to the terms of the Agreement for Assignment of Tax Sale Certificate:

The West 170 feet of Lot 58, MILLER HEIGHTS, all now included in and forming a part of the City of Des Moines, Polk County, Iowa.

2. The Agreement for Assignment of Tax Sale Certificate between City and NFC Properties, LLC, on file in the office of the City Clerk, is hereby approved.

3. The Mayor is hereby authorized and directed to sign said Agreement on behalf of the City, and the Clerk is directed to attest to his signature.

4. The Community Development Director or designee is hereby authorized and directed to administer the terms of said Agreement, and the City Manager is hereby further authorized and directed to sign the Assignment of such tax sale certificate on behalf of the City as provided in the Agreement.

(City Council Communication No. 14-574)

MOVED BY _____ TO ADOPT

FORM APPROVED:

Glenna K. Frank

Glenna K. Frank
Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, GATTO, GRAY, HENSLEY, MAHAFFEY, MOORE, and 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