

# Council Communication

Office of the City Manager

**Date:** December 20, 2010

Agenda Item No. 14

Roll Call No. <u>10-2063</u> Communication No. <u>10-746</u>

Submitted by: Phil Delafield,

Community

Development Director, and Jeb E. Brewer, P.E., City Engineer

### **AGENDA HEADING:**

Resolution establishing fair market value and authorizing voluntary acquisition of property located at 2839, 2843 and 2933 Indianola Avenue.

### **SYNOPSIS:**

Recommend approval of fair market value and authorization to acquire. This action establishes fair market value and authorizes voluntary acquisition of property located at 2839, 2843 and 2933 Indianola Avenue from Rafdal and Abild, LLC, David Rafdal and Gregory M. Abild, Members, and Rafdal, Inc., David Rafdal, Member, 4601 SW 9th Street, Des Moines, Iowa, 50315-3972. These properties are adjacent to the Southern Meadows apartments located at 2800 and 2810 SE 8th St., which the City acquired in April 2010. These acquisitions will allow for more flexibility in redeveloping the site.

### **FISCAL IMPACT:**

Amount: \$90,000 plus closing costs

Funding Source: 2010-11 Operating Budget, CDBG Neighborhood Stabilization Program (NSP),

Project CDBG2008901, Page 71

### **ADDITIONAL INFORMATION:**

On June 8, 2009, by Roll Call No. 09-996, the City Council approved the contract with the Iowa Department of Economic Development to allocate \$3.9 million of Neighborhood Stabilization Funds. The plan calls for the City to work with a coalition of housing agencies to purchase and redevelop approximately 90 foreclosed and abandoned housing units over the next four years.

On September 28, 2009, by Roll Call 09-1743, the City Council authorized acquisition of Southern Meadows Apartments located at 2800 and 2810 SE 8th Street as part of the Neighborhood Stabilization Program (NSP) with a goal of redeveloping the site. The acquisition of the additional parcels allows the City to enhance redevelopment opportunities in the area. Currently, staff is working with Confluence (Chris Della Vodova, Principal) to prepare a redevelopment plan for the site. In addition, the 1950's addition to the structure is being demolished. Staff anticipates the redevelopment plan to be completed by Mid-January. At that time, the site will be disposed of using a competitive RFP process.

These properties have been appraised by an independent appraiser for \$64,000. The Engineering Department Real Estate Division has negotiated a voluntary property acquisition agreement with Rafdal & Abild, Inc. and Rafdal, Inc. in the amount of \$90,000. The use of eminent domain is not available under the NSP Program, so this amount is necessary to acquire the property on a voluntary basis and to help clear all liens and judgments against the property. There will be no relocation assistance for this acquisition.

### **PREVIOUS COUNCIL ACTION(S):**

Date: September 13, 2010

Roll Call Number: 10-1476

<u>Action</u>: <u>Proposal</u> from Confluence (Chris Della Vodova, Principal) for concept planning services to examine redevelopment options for the Southern Meadows Apartments, not to exceed \$24,950. (Council Communication No. 10-558) Moved by Hensley to adopt. Motion Carried 7-0.

Date: September 28, 2009

Roll Call Number: 09-1743

<u>Action:</u> Establishing Fair Market Value and authorizing acquisition of Southern Meadows Apartments at 2800 and 2810 SE 8<sup>th</sup> Street. (Council Communication No. 09-691) Moved by Coleman to adopt. Motion Carried 7-0.

Date: August 24, 2009

Roll Call Number: 09-1540

<u>Action:</u> Authorizing City Manager to determine fair market value and enter into negotiations to acquire the Southern Meadows Apartments at 2800 SE 8<sup>th</sup> Street. (Council Communication No. 09-593) Moved by Kiernan to adopt. Motion Carried 7-0.

Date: June 8, 2009

Roll Call Number: 09-996

<u>Action:</u> Neighborhood Stabilization Program Contract with the Iowa Department of Economic Development (IDED). Moved by Vlassis to adopt. Motion Carried 7-0.

<u>Date:</u> February 23, 2009

Roll Call Number: 09-341

<u>Action:</u> On the City's plan to spend CDBG Neighborhood Stabilization Program Funds. (Council Communication No. 09-105) Moved by Coleman to adopt. Motion carried 7-0.

Date: December 8, 2008

Roll Call Number: 08-2159

<u>Action:</u> Authorizing the City Manager to develop and submit a plan to the State of Iowa to spend the allocated \$3,900,000 Neighborhood Stabilization Program funds to provide emergency assistance redeveloping abandoned and foreclosed homes. (Council Communication No. 08-732) Moved by Hensley to adopt; refer to the City Manager to provide details about this program at a workshop. Motion Carried 7-0.

# **BOARD/COMMISSION ACTION(S): NONE**

## ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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