

**OFFICE OF THE CITY MANAGER
DES MOINES, IOWA**

**CITY COUNCIL COMMUNICATION 96-498
NOVEMBER 18, 1996 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
APPROVING RELEASE OF CITY LIENS AGAINST POLK COUNTY TAX SALE PROPERTY	◆ RESOLUTION ORDINANCE RECEIVE/FILE	MIKE MATTHES ADMINISTRATIVE INTERN

SYNOPSIS —

Polk County has requested the City's assistance to clear some title objections on tax sale property. Polk County has sold 1819 - 9th Street to Affordable Housing Consortia, Inc., by virtue of a tax deed. The tax sale process the County used was not sufficient to satisfy Chapter 446 of the Iowa Code. This necessitates City action to file a partial release of the liens on this property. A Partial release will assist Polk County in perfecting their title and in selling the property.

FISCAL IMPACT —

None. This action does not dismiss the liens, it only separates the liens from the property.

RECOMMENDATION —

Approval.

BACKGROUND —

When selling properties at tax sale to satisfy tax delinquencies, the County is required to follow the procedure outlined in Chapter 446 of the Iowa Code. Under the procedure in that Chapter, if the County gives an appropriate notice to lienholders of the pendency of the tax sale, and those lienholders do not appear to bid in their liens at the time of sale, those liens are discharged and the County can sell the property by tax deed free and clear of those liens.

In a number of instances over the past several years, the County has sold properties in the City at tax sale without having perfected the proper procedure with regard to City liens and assessments for a variety of enforcement actions including, removal of diseased trees, building demolition, cleanup of trash and debris, as well as other liens and judgment liens held by the City against prior titleholders. Consequently, the County may not be able to convey those properties at tax sale free and clear of such liens without beginning the entire tax sale procedure over again.

At this time, Polk County is requesting that the City voluntarily release such liens on all County tax sale transactions which have not been perfected. Currently, Polk County is using a perfected process. Therefore, this type of action will only be requested for past Polk County transactions. If the City chooses not to release these liens, the County will be required to begin their 90 day tax sale procedure over on each property.