



Council Communication

Office of the City Manager

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| Date | December 18, 2006 |
| Agenda Item No. | 18 |
| Roll Call No. | 06- |
| Communication No. | 06-788 |
| Submitted by: Larry Hulse, Community Development Director | |

AGENDA HEADING:

Return of Tax Sale Certificate and Acceptance of Tax Sale Deed - 1417 12th Street

SYNOPSIS:

Recommend approval to obtain tax deed for 1417 12th Street. The City will hold the property for a maximum of sixty days during which time the property will be cleaned up. When the clean up is complete, the property will be sold to Greater Des Moines Habitat for Humanity (Lance Henning, Executive Director, 2341 Second Avenue, P.O. Box 716, Des Moines, IA 50303-0716) at a subsequent public hearing for the development of affordable housing.

FISCAL IMPACT:

Amount: \$148

Funding Source: 2006-07 Operating Budget, page 313, CDBG20060018, CDD – King Irving Housing Consortium

ADDITIONAL INFORMATION:

During the 2005 Iowa legislative session, Iowa Code §446.19A was amended to permit cities to acquire tax sale certificates for vacant lots assessed as residential property for the purpose of encouraging development of housing. On May 9, 2005, by Roll Call 05-1137, the City Council approved a process to obtain vacant lot tax sale certificates from the Polk County Treasurer.

By three separate Council actions, the City requested the tax sale certificates for twenty-one vacant lots. Because of the limited amount of time that was available to research these properties, the City focused its efforts on vacant lots in the King Irving neighborhood and lots for which the City had recently completed a demolition action. Sixteen of the twenty-one lots are located in the King Irving or Mondamin Presidential Neighborhoods, two are in Woodland Heights, one is in Fairmont Park, one is in Fairgrounds Neighborhood, and one is not located within a Recognized Neighborhood. 1417 12th Street is located in the King Irving Neighborhood.

In order to facilitate the development of affordable housing on these lots, the City obtained title certificates for each parcel, and the City's Legal Department has done all required notification, publication, and filing of affidavits. In most cases, the City has assigned the tax sale certificate to a housing developer, who in turn obtains the tax deed to the property. In this case, however, the City will acquire the tax deed to the property in order to clean up the property. When the clean up is complete

(within sixty days), the property will be sold to Greater Des Moines Habitat for Humanity for the development of affordable housing. At that time, Habitat for Humanity will reimburse the City for its costs.

PREVIOUS COUNCIL ACTION(S):

Date: August 8, 2005

Roll Call Action: 05-1918

Action: Request for 2005 Tax Sale Certificates on various vacant lots and authorizing City Manager to solicit proposals for development of housing on the lots. ([Council Communication No. 05-443](#)) Moved by Brooks to adopt. Motion Carried 7-0.

Date: June 20, 2005

Roll Call Action: 05-1529

Action: Request for 2005 Tax Sale Certificate on vacant lot at 1339 Forest and authorizing City Manager to solicit proposals for development of housing on the lot. ([Council Communication No. 05-363](#)) Moved by Kiernan to adopt. Motion Carried 6-1.

Date: June 6, 2005

Roll Call Action: 05-1399

Action: 2005 Certificates on certain vacant lots, and authorizing City Manager to solicit proposals for purchase of such lots for development of housing. Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

It is anticipated that staff will request conveyance of this property to Greater Des Moines Habitat for Humanity prior to March 2007.