



Council Communication

Office of the City Manager

Date

June 4, 2007

Agenda Item No. 18A
Roll Call No. 07-
Communication No. 07-332
Department: Larry Hulse, Community
Development Director

AGENDA HEADING:

Approving request for 2007 tax sale certificates on vacant lots from Polk County Treasurer at annual auction.

SYNOPSIS:

Recommend approval to request nineteen vacant lot tax sale certificates from the Polk County Treasurer at the annual auction.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

The 2005 amendments to the Iowa Code 446.19A permit cities to acquire tax sale certificates for vacant lots assessed as residential property without paying the taxes due and allow the City to utilize an expedited redemption period, all for the purpose of encouraging the development of housing. The City of Des Moines successfully utilized this ability for the 2005 Tax Sale. Nine of twenty-one tax certificates assigned to the City were assigned to developers for housing at a cost substantially below market value). Staff seeks to obtain additional vacant lot tax certificates from the 2007 Tax Sale that can ultimately be used for the development of housing.

With the assistance of staff from Greater Des Moines Habitat for Humanity, nineteen vacant lots have been identified that are suitable for redevelopment as single-family owner-occupied housing. The vacant lots are located at the following addresses:

- 453 East Hillside Avenue
- 1433 5th Avenue
- 1519 9th Street
- 1243 5th Avenue
- 1233 4th Street
- 1402 7th Street
- 1154 14th Place
- 1318 Mondamin Avenue
- 1806 Allison Avenue
- 1621 Jefferson Avenue
- 1718 Jefferson Avenue
- 1544 10th Street
- 1605 Gillette Street
- 1339 22nd Street
- 1249 10th Street
- 1301 10th Street
- 2423 East 11th Street
- 1610 East 9th Street
- 1280 De Wolf Street

A separate Council action has requested that thirteen of the vacant lot tax certificates be assigned to Greater Des Moines Habitat for Humanity upon issuance of the tax certificate to the City of Des Moines (Council Communication No. 07-333). Greater Des Moines Habitat for Humanity will be responsible for all necessary legal work and will complete all required notifications and publications in order to take the tax deeds. The remaining six tax certificates lots (453 East Hillside Avenue, 1433 5th Avenue, 1519 9th Street, 1243 5th Avenue, 1233 4th Street, and 1402 7th Street) will be retained by the City.

In order to facilitate the development of affordable housing on these six lots, the City will obtain title certificates for each parcel, and the City's Legal Department will do all required notifications, publications and filing of affidavits. The City will then assign the certificates to affordable housing provider(s) who will then be able to file for a tax deed without any additional legal work. The cost to acquire the tax deed for these lots will be substantially less than if the assignee were to attempt to purchase these lots on the open market, which will help to make the houses more affordable.

All lots that are successfully obtained will be developed to the specifications of the Neighborhood Conservation Services (NCS) New Constructions Program, which provides for neighborhood comment and design review. Additional design criteria may be utilized to ensure neighborhood compatibility.

PREVIOUS COUNCIL ACTION(S):

Date: June 6, 2005

Roll Call Number: 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.

Date: May 9, 2005

Roll Call Number: 05-1137

Action: Approving process for requesting tax sale certificates on vacant lots from Polk County Treasurer at annual auction and for assignment to private parties for residential development. ([Council Communication No. 05-247](#)) Moved by Hensley to adopt. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE