

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: March 21, 2016
	Agenda Item No. <u>25</u> Roll Call No. <u>16-472</u> Communication No. <u>16-140</u> Submitted by: Phillip Delafield, Community Development Director

AGENDA HEADING:

Authorizing Acquisition of Property through Tax Sale Certificate Process, Release of Special Assessments, and Request for Release of Other Liens (1720 7th Street).

SYNOPSIS:

This action requests that Polk County assign the tax sale certificates for a vacant and abandoned house at 1720 7th Street in the River Bend Neighborhood to the City of Des Moines with the expectation that the City will go through the process to take ownership.

FISCAL IMPACT:

Amount: Approximately \$15,000 in special assessments plus property taxes of approximately \$15,000.

Funding Source: Nuisance Abatement Costs (BHNAC), CDB01914; Storm Water Utility Fee, PW247413; Sanitary Sewer Rental Fee, PW247411.

ADDITIONAL INFORMATION:

- The property at 1720 7th Street is vacant and abandoned with tax sale certificates held by Polk County. The owner is listed as Betty A. Hill on the Polk County Assessor site.
- The taxes and special assessments owed total more than the house is worth in its present condition.
- The River Bend Neighborhood Association has requested the City’s assistance in saving the house with an end purpose of rehabilitation for an owner-occupant.
- The Des Moines Rehabber’s Club identified this as one (1) of the 10 most Endangered Houses in Polk County (Des Moines Register 10/13/15).
- Iowa Code Section 446.19A permits cities to acquire tax sale certificates for abandoned property assessed as residential property or vacant residential lots.
- The county can assign a tax sale certificate that it holds to the City of Des Moines. If the City goes through the tax process to take tax deed to a property, the county can release all existing

back taxes and county special assessments. Manager Wandro indicated there was support on the Board of Supervisors to release taxes and assessments when a property could be rehabilitated or redeveloped.

- There are criminal judgments filed on the property by the Polk County Attorney's office and/or the Attorney General's Office which staff will attempt to have waived.
- There is also a federal tax lien filed against the property which staff will attempt to have released by working with the Internal Revenue Service.
- Several persons with an interest in rehabilitation have expressed an interest in the property.
- When staff is successful in removing the costs and the City is close to taking ownership, staff will distribute a Request for Proposal (RFP) to entities that have expressed an interest in rehabilitation of historic houses.

PREVIOUS COUNCIL ACTION(S):

Date: May 4, 2015

Roll Call Number: [15-1699](#), [15-1700](#), and [15-1701](#)

Action: On the acquisition of a tax sale deed and conveyance for redevelopment of housing for the following, (10-26-15): ([Council Communication No. 15-535](#))

- (A) [1355](#) Pennsylvania Avenue to Home Opportunities Made Easy, Inc. (HOME, Inc.). Moved by Hensley to adopt. Motion Carried 7-0.
- (B) [2727](#) Linden Street to Stephen P. Logsdon. Moved by Hensley to adopt. Motion Carried 7-0.
- (C) [1710](#) 7th Street to Hildebrand Properties, LLC. Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Several actions to take deed and release City costs against the property, and set date of and hold public hearing to sell the house.

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