

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b>	February 5, 2018
	<b>Agenda Item No.</b>	<b>28</b>
	<b>Roll Call No.</b>	<b><u>18-0204</u></b>
	<b>Communication No.</b>	<b><u>18-045</u></b>
	<b>Submitted by:</b>	<b>Phillip Delafield, Community Development Director</b>

**AGENDA HEADING:**

Approving request to Polk County Board of Supervisors to assign tax sale certificates of purchase to the City, authorization for execution of Polk County Agreements, approval of City acquisition of properties through tax deed, authorization to request release of property taxes and special assessments, and release of all City liens and special assessments in order to encourage housing redevelopment.

**SYNOPSIS:**

Acquisition of properties through tax sale certificates is one of several tools that the City has successfully used to build and/or renovate housing. The City may take tax deed itself or assign to another entity to take tax deed.

Dean R. Anderson, 100 Market Street, Unit 503, Des Moines, IA 50309, has presented a plan to rehabilitate two (2) vacant and abandoned properties in Cheatom Park if the City can assist in obtaining the properties through the tax sale process.

**FISCAL IMPACT:**

Amount: Approximately \$750 per property for title certificate, notification, publication.

Funding Source: Community Development Department Budget, 2017-2018 Page 57 Special Revenue Funds, Nongrant S060 CD04600

**ADDITIONAL INFORMATION:**

- Dean R. Anderson has presented a plan to the city to work on the renovation of four (4) vacant units of housing, two (2) in the River Bend Neighborhood and two (2) in the Cheatom Park Neighborhood.
- He has requested the City’s assistance with the acquisition of two (2) properties currently held by Polk County as a “Certificate of Purchase”: 1311 Laurel Street and 1124 13<sup>th</sup> Street.
- By Roll Call No. 11-2158, on December 19, 2011, the Des Moines City Council, acting as the Board of Health, declared the property at 1124 13<sup>th</sup> Street a public nuisance.
- The property at 1311 Laurel has been vacant and in violation of the City’s housing code for over six (6) months.
- These properties are upside down in value with the cost of taxes and special assessments more than the value of the property when the amount of rehabilitation required is considered.



1311 Laurel Street



1124 13<sup>th</sup> Street

- To facilitate the rehabilitation, the City will petition for and then accept the assignment of the Certificate of Purchase from the County and acknowledge that the City has three (3) years from the date of assignment to perfect the tax deed pursuant to Iowa Code 446.32 and 446.37.
- The City and County work together to release delinquent taxes and special assessments on the properties. Any judgements released are limited only to the Property, any personal judgment shall remain in full force and effect against the judgement debtor and other real estate and personal property owned by such judgement debtor.
- The City takes tax deed and may issue a Request for Proposal for the property or a developer-initiated proposal could be submitted.
- City sets a date of public hearing and holds a public hearing before any of the properties can be sold.
- The developer, Mr. Anderson, is not asking for any additional funding help with these two (2) properties.
- Until values increase in the area, Mr. Anderson may operate the properties as single family rental.

**PREVIOUS COUNCIL ACTION(S):**

Date: December 19, 2011

Roll Call Number: [11-2158](#)

Action: [1124](#) 13<sup>th</sup> Street, main structure, Titleholder: Samuel Tiger (deceased), All Known and Unknown Heirs of Samuel Tiger. Moved by Mahaffey to adopt. Motion Carried 7-0.

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

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Additional actions needed to sell property for rehabilitation.

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