


COUNCIL COMMUNICATION

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|  | Number: | 25-088 | Meeting: | March 10, 2025 |
| | Agenda Item: | 26 | Roll Call: | 25-0358 |
| | Submitted by: | Chris Johansen, Neighborhood Services Department Director | | |

AGENDA HEADING:

Resolution authorizing satisfaction of judgement liens impacting 3004 Columbia Street, 314 E Sheridan Avenue, and 6214 SW 3rd Street.

SYNOPSIS:

The Neighborhood Services Department has reviewed a set of public nuisance judgements and identified three (3) properties in which the judgement is preventing the property from being offered at tax sale and making redevelopment unlikely until after 2032. All three (3) properties are good candidates for infill housing.

FISCAL IMPACT:

Amount: Waiver of the cost of the public nuisance demolition in the amount of \$134,137.51 of funds expended in prior fiscal years.

Funding Source: ND414000/527670/LT201/LT20100001

ADDITIONAL INFORMATION:

- The structures declared public nuisances on all three (3) properties have been demolished and the nuisance is considered abated.
- This action would release the City's ability to collect on costs from public nuisance actions through lien foreclosure or collections.
- The City Legal Department examined the title certificates for all three (3) parties to consider if lien foreclosure was an appropriate option. All three (3) properties have substantial title defects beyond the City's judgement liens and delinquent taxes. Foreclosing on the City's judgement liens is not recommended.
- By satisfying the City's judgement, the Polk County Treasurer can offer the delinquent taxes at the upcoming tax sale, which provides an opportunity for the City to acquire the tax certificate to process to a tax deed.

- The City can use its authority under 446.19A to request the assignment of tax sale certificates associated with specific addresses to the City. The City participates annually in the tax sales and, if the judgements are satisfied, Neighborhood Services staff will monitor these addresses if they are offered at tax sale. Should the City receive the tax sale certificates, the City will pursue the tax deeds, identify a redevelopment partner, and convey the lots for infill development. Should the City receive the tax deed, there may be a chance to recoup some funds through the resale of the property.
- Should a home be built on the properties, there is a path to increase the tax base. Should the City be unsuccessful in securing the tax sale certificate or tax deed, that would mean that the taxes are paid and indicate owner re-engagement.
- There is an adopted Lien Waiver Program that sets the terms of administrative review of lien release requests from external applicants to the City. This action is brought to Council because there is not an external request and instead Neighborhood Services has identified the opportunity and will monitor the next steps.

PREVIOUS COUNCIL ACTION(S):

Date: September 12, 2022

Roll Call Number: [22-1443](#)

Action: Abatement of public nuisances as follows:

(D) [6214](#) SW 3rd Street. Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0.

Date: April 4, 2022

Roll Call Number: [22-0541](#)

Action: Abatement of public nuisances as follows:

(D) [314](#) E. Sheridan Avenue. Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0.

Date: March 21, 2022

Roll Call Number: [22-0442](#)

Action: Abatement of public nuisances as follows:

(A) [3004](#) Columbia Street. Moved by Boesen to adopt. Second by Gatto. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The City Council must approve the City's participation in the tax sale and enter an affidavit with the Treasurer's office to approve a request of specific properties. Should these properties be offered at tax sale, they would be included within a list for City Council action. This is most likely in preparation for the annual sale each June. Should the City acquire tax deeds in the future, Council action is required to dispose of property.

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