

## COUNCIL COMMUNICATION

	Number:	<b>25-315</b>	Meeting:	<b>August 18, 2025</b>
	Agenda Item:	<b>21</b>	Roll Call:	<b>25-1121</b>
	Submitted by:	<b>Chris Johansen, Neighborhood Services Department Director</b>		

### AGENDA HEADING:

Approving agreement for assignment of tax sale certificate for development and/or rehabilitation of housing to Invest DSM

### SYNOPSIS:

Approval of an agreement with Invest DSM to assign the tax sale certificate related to 800 35<sup>th</sup> Street in exchange for a commitment for redevelopment or rehabilitation of housing.

### FISCAL IMPACT:

Amount: None

Funding Source: Not applicable

### ADDITIONAL INFORMATION:

- Annually the Polk County Treasurer's Office holds a tax sale in which unpaid taxes and special assessments are sold to investors. Certificates representing the amount due are issued and represent a possible path to acquire property. Tax sale certificates can be processed to deed in as little as six months from the June 16, 2025, tax sale, but the holder of the certificate has up to three years pursuant to Iowa Code 446.31, 446.32, and 446.37.
- If the property owner redeems the tax sale certificate, the tax sale certificate holder is reimbursed for its costs, and its actions are moot.
- The City requested and was issued the tax sale certificate related to 800 35<sup>th</sup> Street. The property also failed its rental certificate renewal in 2024 and has not been occupied since. Seeking the tax sale certificates and the tax deeds on these properties aligns with the City's efforts to address vacant or nuisance properties within neighborhoods.
- The property is located in the North of Grand Neighborhood and a special investment district. Assignment of the tax sale certificate to Invest DSM aligns with Plan DSM and neighborhood planning.
- By assigning the tax sale certificate to Invest DSM, it will become Invest DSM's responsibility to complete notification and process the certificate to deed and not the City's responsibility.
- The agreement brought with this action mirrors the other tax sale agreements we entered into with Habitat, HOME Inc., Neighborhood Finance Corporation, and Invest DSM in June at the time of the annual sale. In the last 18 months, available data and how the City processes vacant properties has changed. Because of the shifting process, this vacant structure was identified

after the main tax sale request and there was not enough time to work through the tax sale agreement with Invest DSM and still meet the requirement to file our affidavit prior to the annual tax sale. The only difference in this agreement is timing.

**PREVIOUS COUNCIL ACTION(S):**

Date: June 9, 2025

Roll Call Number: [25-0840](#)

Action: [Request](#) to Polk County Treasurer for assignment of tax sale certificates for various properties for development and/or rehabilitation of housing. [\(Council Communication No. 25-232\)](#) Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE****ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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