



Roll Call Number

15-1619

Agenda Item Number

34

Date September 28, 2015

AMEND AGREEMENTS FOR ASSIGNMENT OF FOUR (4) TAX SALE CERTIFICATES TO NONPROFIT ENTITIES, APPROVAL OF CITY ACQUISITION OF PROPERTIES THROUGH TAX DEED, AND AUTHORIZATION TO REQUEST RELEASE OF PROPERTY TAXES, SPECIAL ASSESSMENTS, AND ALL CITY LIENS AND SPECIAL ASSESSMENTS IN ORDER TO ENCOURAGE HOUSING REDEVELOPMENT

WHEREAS, Iowa Code Section 446.19A permits cities to acquire tax sale certificates for abandoned property assessed as residential property or as commercial multifamily property or vacant residential lots at a tax sale without paying the taxes then due, to obtain the assignment of outstanding tax sale certificates by payment to the certificate holder the amount then due to redeem the certificate, and to further assign said certificates, all for the purpose of encouraging the acquisition and rehabilitation of abandoned dwellings and lots; and

WHEREAS, on June 9, 2014, by Roll Call 14-0866, the City of Des Moines entered into an agreement with Greater Des Moines Habitat for Humanity, Inc. ("Habitat") to assign the tax sale certificates for 2620 Cornell Street and 3018 York Street for the purpose of obtaining tax deed to the properties through Iowa Code Section 446.19A to redevelop the parcels for housing; and

WHEREAS, on June 8, 2015, by Roll Call 15-0931, the City of Des Moines entered into agreements with Home Opportunities Made Easy, Incorporated ("HOME, Inc.") and NFC Properties LLC ("NFC") to assign the tax sale certificates for 1334 E. 13th Street and 1520 32nd Street for the purpose of obtaining tax deed to the properties through Iowa Code Section 446.19A to redevelop the vacant lot for housing and rehabilitate the house; and

WHEREAS, the extent of the taxes and special assessments for the properties make it financially infeasible to redevelop or rehabilitate the properties even with additional subsidy for redevelopement or rehabilitation; and

WHEREAS, City Community Development Department staff is recommending that the City take direct assignment of the tax sale certificates and ownership of said properties and find a developer interested in neighborhood revitalization of the properties through a developer-initiated proposal or through a Request for Proposal process, and release the City's special assessments and request the release of past due taxes and other assessments if the selected developer(s) request such releases and if the Community Development Department agrees with such request.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

1. The Community Development Director is authorized and directed to amend the agreements approved by Roll Call Nos. 14-0866 and 15-0931, and delete the following addresses therefrom:

Habitat Assignments



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Address: 2620 Cornell Street, Des Moines, Iowa
 District/Parcel No.: 070/03114-000-000
 Legal Description: LOT 14 MARTHA HALL HGTS PLAT 2, now included in and forming a part of the City of Des Moines, Polk County, Iowa.

Address: 3018 York Street, Des Moines, Iowa
 District/Parcel No.: 110/03652-000-000
 Legal Description: LT 9 BLK 8 KRYSHERS 2ND ADD PLT 1, now included in and forming a part of the City of Des Moines, Polk County, Iowa.

NFC Assignment

Address: 1520 32nd Street, Des Moines, Iowa
 District/Parcel No.: 100/09562-000-000
 Legal Description: LOTS 8 & 9 BLK 3 MERRITT & FISCHERS PARK, now included in and forming a part of the City of Des Moines, Polk County, Iowa.

Home, Inc. Assignment

Address: 1332 East 13th Street Des Moines, Iowa
 District/Parcel No.: 110/01414-000-000
 Legal Description: Lot 236 Capital Park, now included in and forming a part of the City of Des Moines, Polk County, Iowa.

2. In the event that the tax sale certificates for the above-referenced properties are not first assigned by the City to a selected developer(s), the Legal Department is authorized and directed to begin the acquisition of the properties in accordance with Iowa Code Section 446.19A, and the Finance Director is authorized and directed to issue checks to pay the recording costs and other costs certified by a City Department related to the acquisition listed above.

3. The Community Development Director and his designee(s) are directed to work with the interested parties and neighborhood organizations on a developer-initiated redevelopment proposal, or to distribute a Request for Proposals to locate a developer to acquire and redevelop or renovate the properties, based on approved plans, including evidence of financing, examples of similar work completed in Des Moines area, and a binding agreement in a form satisfactory to the Legal Department for use of the properties as single family housing.

4. In the event that the City takes title to the properties, or in the event of request by the selected developer(s) and agreement by the Community Development Department, the Community Development Director is authorized and directed to request the following:

- (a) That any special assessments levied by the City and pending against the above-referenced properties be released.

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- (b) That all other special assessments levied by Polk County, Des Moines Water Works, or other governmental entities pending against the properties be released.
- (c) That any and all property taxes including accrued interest be released by the Polk County Board of Supervisors.
- (d) That any City judgments against the property be released, which releases shall be limited only to the real property, and any such personal judgment(s) shall remain in full force and effect against the judgment debtor(s) and against any other real estate and personal property owned by such judgment debtor(s). The Legal Department is hereby authorized and directed to file the necessary pleadings to implement the limited release of judgment(s) as provided herein for insubstantial judgments, and to request Council approval of substantial judgments prior to filing such releases.

5. The Community Development Department Director is authorized and directed to enter into agreements required by Polk County for the assignment of the certificates of purchase (tax sale certificates) related to the above-referenced properties, following approval as to form thereof by the Legal Department.

(Council Communication No. 15-513)

MOVED BY Hensley TO ADOPT.

FORM APPROVED:

Glenna K. Frank

Glenna K. Frank, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

T. M. Franklin Mayor

Diane Rauh

City Clerk