



Roll Call Number

16-0961

Agenda Item Number

34

Date June 13, 2016

**AUTHORIZING REQUEST TO POLK COUNTY TREASURER FOR TAX SALE CERTIFICATES
AND AUTHORIZING ASSIGNMENT OR ACQUISITION OF PROPERTIES
THROUGH TAX SALE PROCESS**

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, and to give notice of expiration of the redemption period upon an expedited schedule, all for the purpose of encouraging the acquisition and rehabilitation of abandoned dwellings and the development lots for residential use; and

WHEREAS, on October 12, 2013, by Roll Call No. 15-1742, the City Council determined that the real property at 1070 26th Street was a public nuisance and authorized the City Legal Department to proceed with court action seeking authority to abate the public nuisance; and

WHEREAS, on June 9, 2014, by Roll Call No. 14-0912 the City Council determined that the real property at 832 24th Street was a public nuisance and authorized the City Legal Department to proceed with court action seeking authority to abate the public nuisance; and

WHEREAS, in 2015, the City demolished the residential structure at the vacant lot at 318 East Holcomb Avenue under public nuisance action; and

WHEREAS, the residential structure at 1074 26th Street does not have a current rental code certification, has been vacant for over six months and is in violation of the City's Housing Code, and constitutes a public nuisance; and

WHEREAS, in order to minimize the impact of the vacant structures and lot(s) on the Drake and Woodland Heights neighborhoods, the City Community Development Department staff recommends purchasing tax sale certificates from certificate holders to expedite the acquisition process for the afore-mentioned properties; and

WHEREAS, on June 15, 2016, the Board of the Polk County Housing Trust Fund is expected to approve funding to the City for acquisition of existing tax sale certificates for the properties located at 1070 26th Street and 1074 26th Street; and

WHEREAS, the City Community Development Department staff is recommending that the City make a request to the Polk County Treasurer and request assignment of the tax sale certificates for the properties locally known as 1070 26th Street, 1074 26th Street, 832 24th Street, and 318 East Holcomb Avenue, in accordance with Iowa Code Section 446.19A, and thereafter further assign the certificates to developer(s) and/or acquire the properties for sale to developer(s) for redevelopment as single-family and/or multi-family housing.

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 execute and submit an affidavit to the Polk County Treasurer requesting that tax sale certificates for the properties, as further described below, be assigned to the City of Des Moines in accordance with Iowa Code 446.19A:



Roll Call Number

16.0961

Agenda Item Number

34

Date June 13, 2016

Address: 832 24th Street Des Moines, Iowa, 50310-5544
 District/Parcel No.: 030/05356-000-000
 Legal Description: Lot 5 in Ira P Wetmores Addition, now included in and forming a part of the City of Des Moines, Polk County, Iowa

Address: 1070 26th Street Des Moines, Iowa, 50310-5544
 District/Parcel No.: 030/04965-000-000
 Legal Description: South 10 feet of LOT 223 & North 50 Feet of LOT 224 UNIVERSITY LAND COS 1ST ADDITION, now included in and forming a part of the City of Des Moines, Polk County, Iowa

Address: 1074 26th Street Des Moines, Iowa, 50310-5544
 District/Parcel No.: 030/04963-000-000
 Legal Description: PRT LOT 223 COM 18F N OF SE COR THN N 56.33F W 94F SW 5.5F S 31F SE 65F E 35F TO POB UNIVERSITY LAND COS 1ST ADDITION, now included in and forming a part of the City of Des Moines, Polk County, Iowa

Address: 318 E. Holcomb Des Moines, Iowa, 50310-5544
 District/Parcel No.: 070/04417-000-000
 Legal Description: West 15 Feet of Lot 25 & All of Lot 24, Block 1, Old Orchard Beach, now included in and forming a part of the City of Des Moines, Polk County, Iowa

2. The Legal Department is authorized and directed to begin the acquisition of the above-listed properties in accordance with Iowa Code Section 446.19A, and the Finance Director is authorized and directed to issue checks to pay the outstanding tax sale certificates, recording costs and other costs certified by a City Department related to the acquisitions listed above.

3. The Community Development Department Director is authorized and directed to execute agreement(s) required by Polk County Housing Trust Fund for use and repayment of funds for acquisition of tax sale certificates for 1070 and 1074 26th Street, following approval as to form thereof by the Legal Department.

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

5. The Community Development Director and his designee(s) are directed to work with interested parties and neighborhood organizations to find a for-profit or non-profit housing organization interested in acquiring the properties through the Iowa Code Section 446.19A process, for rehabilitation for owner-occupant housing pursuant to agreement with the City of Des Moines, following approval as to form thereof by the Legal Department.

6. If the City acquires the properties, the Community Development Director and his designee(s) are directed to work with interested parties and neighborhood organizations on developer-initiated redevelopment proposal(s), or to distribute a Request for Proposals, to locate developer(s) to purchase and renovate the properties based on an approved redevelopment plan, including evidence of financing, examples of similar work completed in Des Moines

★ Roll Call Number

Agenda Item Number

16.0961

34

Date June 13, 2016

area, and a binding agreement in a form satisfactory to the Legal Department, for use of the properties as single-family housing.

7. Upon the City or developer, as applicable, taking title to the above-listed properties:

- (a) The special assessments levied by the City and pending against the properties shall be deemed released, and the City Engineer or the City Engineer's designee is hereby authorized and directed to notify the County of the release of such special assessments.
- (b) The Community Development Director or the Director's designee is hereby authorized and directed to seek the release of all other special assessments levied by Polk County, Des Moines Water Works, or other governmental entities pending against the Property.
- (c) The Community Development Director is authorized and directed to request any and all property taxes including accrued interest be released by the Polk County Board of Supervisors.
- (d) Any City judgment releases shall be limited only to the properties, 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.

(Council Communication No. 16-304)

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	✓			
MOORE	✓			
WESTERGAARD	✓			
TOTAL	7			

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.

MOTION CARRIED

APPROVED

T. M. Franklin
Mayor

Diane Rauh

City Clerk