



Roll Call Number

16-0962

Agenda Item Number

35

Date June 13, 2016

APPROVING REQUEST TO POLK COUNTY TREASURER FOR ASSIGNMENT OF TAX SALE CERTIFICATES, 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

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 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 lots; and

WHEREAS, in accordance with Iowa Code Section 446.18, cities may also bid on tax sale certificates as public bidders in the annual Polk County Tax Sale Auction; and

WHEREAS, Polk County Public Works holds the tax sale certificates to several properties listed below that will be included in the 2016 Polk County Tax Sale Auction, which properties are all assessed and zoned residentially, previously determined by City Council to be public nuisance properties, and found by City staff to be vacant and in violation of the City's Building Code for a period in excess of six consecutive months or vacant lots in accordance with the requirements of Iowa Code Section 446.19A; and

WHEREAS, Polk County Public Works has expressed an interest in working with the City to take ownership of these properties for rehabilitation or redevelopment resulting in neighborhood revitalization and new tax base, and City staff have been approached by neighborhood associations or nonprofit entities interested in rehabilitation or redevelopment if the special assessments and taxes are waived and additional subsidy or in-kind equity is invested; and

WHEREAS, City Community Development Department staff is recommending that the City take assignment of the tax sale certificates and ownership of the properties listed below, execute any necessary documents with developer(s) for neighborhood revitalization, release special assessments and request the release of past due taxes if a site is suitable for rehabilitation or redevelopment.

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 the tax sale certificates for the parcels described below be assigned to the City of Des Moines, in accordance with Iowa Code Section 446.19A and 446.18:



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Address: 1322 Idaho Street, Des Moines, Iowa
 District/Parcel No.: 110/00307-001-000
 Legal Description: Lots 198 and 199, Ashbrook, now included in and forming a part of the City of Des Moines, Polk County, Iowa

Address: 1801 7th Street, Des Moines, Iowa
 District/Parcel No.: 080/05243-000-000
 Legal Description: Lot 8 in Block 6, Polk County Homestead & Trust Co. Addition, an Official Plat, now included in and forming a part of the City of Des Moines, Polk County, Iowa

Address: 1445 6th Avenue, Des Moines, Iowa
 District/Parcel No.: 080/03131-000-000
 Legal Description: LOT 18 HEDGES ADDITION, an Official Plat, now included in and forming a part of the City of Des Moines, Polk County, Iowa

Address: 3011 5th Avenue, Des Moines, Iowa
 District/Parcel No.: 070/02414-000-000
 Legal Description: Lot 132 of Block 6, LAKE PARK, an Official Plat, now included in and forming a part of the City of Des Moines, Polk County, Iowa

Address: 911 25 Street, Des Moines, Iowa
 District/Parcel No.: 030/05372-000-000
 Legal Description: Lot 20 of IRA P. WETMORES ADDITION, an Official Plat, 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 said properties in accordance with Iowa Code Section 446.19A and 446.18, 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 acquisitions listed above.

3. The Community Development Director and his designee(s) are directed to work with the interested parties and neighborhood organizations on developer-initiated redevelopment proposal(s), or to distribute a Request for Proposals to locate developer(s) to acquire and renovate each property based on an approved rehabilitation plan, 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 as single-family owner-occupied housing.

4. Upon the City, or developer(s) as applicable, taking title to the above-listed properties:

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- (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 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 properties.
- (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.

(City 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 | | | |

MOTION CARRIED

APPROVED

T. M. Franklin Mayor

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.

Diane Rauh

City Clerk