

Agenda Item Number

Date June 3, 2019

## AUTHORIZING REQUEST TO POLK COUNTY TREASURER FOR TAX SALE CERTIFICATES AND ACQUISITION OF PROPERTIES THROUGH TAX SALE PROCESS 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, 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 March 6, 2017, by Roll Call No. 17-0386 the City Council determined that the real property at 1814 8<sup>th</sup> 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 March 11, 2019, by Roll Call No. 19-0373 the City Council the City Council determined that the real property at 913 Douglas Avenue was a public nuisance and authorized the City Legal Department to proceed with court action seeking authority to abate the public nuisance; and

WHEREAS, the real properties locally known as 1814 8<sup>th</sup> Street and 913 Douglas Avenue, assessed and zoned residentially, have been found to be a public nuisance property that are vacant and in violation of the City's Building Code for a period in excess of six consecutive months in accordance with the requirements of Iowa Code Section 446.19A, and are expected to be sold at tax sale in June 2019 for nonpayment of taxes; and

WHEREAS, 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 1814 8<sup>th</sup> Street and 913 Douglas 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.

WHEREAS, if redeveloped for housing purposes, each of the above-stated properties will contribute to neighborhood revitalization within their respective neighborhoods.

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 properties, as further described below, be assigned to the City of Des Moines in accordance with Iowa Code 446.19A:

Address:	1814 8 <sup>th</sup> Street
District/Parcel No .:	080/05324-000-000
Legal Description:	Lot 4 in Block 15 in the Official Plat of Southwest Quarter of the Northeast
20Bu 2 Company	Quarter of Section 34, Township 79, Range 24 West of the 5th P.m.

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Address:
District/Parcel No .:
Legal Description:

913 Douglas Avenue
070/03857-000-000
East 48 feet of Lots Thirteen (13) and Fourteen (14) and the East 48 feet of the South one-half of Lot Fifteen (15) in Block Eight (8) in NORTH OAK PARK

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 for the assignment of the tax sale certificates related to the above-referenced properties, following approval as to form thereof by the Legal Department.

4. 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 redevelopment for housing pursuant to agreement with the City of Des Moines, following approval as to form thereof by the Legal Department.

5. 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 redevelop the properties based on an approved redevelopment plan, including evidence of financing, examples of similar work completed in the Des Moines area, and a binding agreement in a form satisfactory to the Legal Department, for use of the properties as housing.

6. 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 that 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 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.



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(Council Communication No. 19-253)

MOVED BY \_ COLOMAN TO ADOPT.

FORM APPROVED:

Glenna K. Frank, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	-			
BOESEN	6			
COLEMAN	2			
GATTO	L			ļ
GRAY	Example 1			
MANDELBAUM	Lan			
WESTERGAARD	L			
TOTAL	1			
MOTION CARRIED				PROVED

## 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.

) ione Faith City Clerk