



Roll Call Number

23-0232

Agenda Item Number

34

Date February 20, 2023

**APPROVING REQUEST TO POLK COUNTY FOR TAX SALE CERTIFICATES AND AGREEMENT REGARDING TAX SALE CERTIFICATES WITH HOME OPPORTUNITIES MADE EASY, INC.**

**WHEREAS**, Iowa Code Section 446.19A permits cities to acquire tax sale certificates for vacant lots and for abandoned property assessed as residential property or as commercial multi-family property 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 of 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 the development of vacant lots for residential use; and

**WHEREAS**, Iowa Code Section 446.19A also permits the City to assign the tax sale certificate to another agency or under Iowa Code 446.31, 446.32, and 446.37 to secure the deed to the property itself as long as it furthers the redevelopment of housing; and

**WHEREAS**, the parcels described below, assessed and zoned residentially, have been found to be vacant structures 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.

**WHEREAS**, on June 13<sup>th</sup>, 2022, by Roll Call 22-0923, the Des Moines City Council approved registration with Polk County for the current year’s participation in the tax sale and further registration is not required until June 2023; and

**WHEREAS**, 1411 17<sup>th</sup> Street is expected to be sold at the adjourned tax sale in March 2023 for nonpayment of taxes; and

**WHEREAS**, 29 Hartford Avenue, 1603 Clark Street, 1617 22<sup>nd</sup> Street, and 1700 13<sup>th</sup> Street were sold at tax sale in previous years for nonpayment of taxes, but no bidder emerged, so Polk County is the current holder of these tax sale certificates; and

**WHEREAS**, City Neighborhood Services staff is recommending that the City make a request to the Polk County and take assignment of the tax sale certificates in accordance with Iowa Code Section 446.19A, in order for the certificates to be processed and promote rehabilitation or redevelopment of the properties for housing purposes; and

**WHEREAS**, Home Opportunities Made Easy, Incorporated (HOME, Inc., Tony Montgomery, 1618 6th Ave, Des Moines, IA 50314) wishes to enter in to an agreement with the City regarding acquisition of the tax sale certificate and tax deeds for the 1411 17<sup>th</sup> Street and 1617 22<sup>nd</sup> Street, and, if the tax deeds are conveyed to the City, any proposal for further conveyance to Home Opportunities Made Easy, Incorporated would come back to the City Council for further consideration and approval.

**WHEREAS**, City Neighborhood Services staff has received notice of interest from private developers in the rehabilitation of 29 Hartford Avenue, 1603 Clark Street and 1700 13<sup>th</sup> Street and, upon assignment of the tax sale certificates, wishes to utilize a request for proposals or bid process to identify the private development partner for each property and follow City process for an agreement and disposal of the property.



Roll Call Number

230232

Agenda Item Number

34

Date February 20, 2023

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

1. The City agrees to accept assignment of the tax sale certificates for all the parcels described above and the acceptance of such assignment of such from Polk County is hereby approved, and the Neighborhood Services Department Director is hereby authorized to sign on behalf of the City.
2. The Agreement now on file in the office of the City Clerk, by and between the City and HOME, Inc. whereby the City agrees to accept assignment of the tax sale certificates, provide notice and pursue the tax sale deed for 1411 17<sup>th</sup> Street and 1617 22<sup>nd</sup> Street is hereby approved, and the Neighborhood Services Department Director is hereby authorized to sign on behalf of the City.
3. The Legal Department is authorized and directed to begin the acquisition of said properties in accordance with Iowa Code Section 446.19A, 446.18, 446.32 and 446.37, 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.
4. The Neighborhood Services Department Director and his designee(s) are directed to work with the interested parties and nonprofit on developer-initiated redevelopment proposal(s), or, if applicable, 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.
5. Upon full execution of the Agreements, the Neighborhood Services Department Director is authorized and directed to execute and submit an affidavit to the Polk County Treasurer requesting that the tax sale certificates for all properties described above be assigned to the City of Des Moines in accordance with Iowa Code Section 446.19A.

(Council Communication No. 23-090)

Moved by Gatto to adopt, Second by Voss.

FORM APPROVED:

/s/ Lisa A. Wieland

Lisa A. Wieland, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
BOESEN	✓			
GATTO	✓			
MANDELBAUM	✓			
SHEUMAKER	✓			
VOSS	✓			
WESTERGAARD	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

T.M. Franklin Cownie Mayor

CERTIFICATE

I, LAURA BAUMGARTNER, 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.

Laura Baumgartner

City Clerk