



Roll Call Number

23-0834

Agenda Item Number

34

Date June 12, 2023

APPROVING REQUEST TO POLK COUNTY TREASURER AND AGREEMENTS WITH NONPROFIT DEVELOPMENT PARTNERS FOR ASSIGNMENT OF TAX SALE CERTIFICATES FOR VARIOUS PROPERTIES FOR DEVELOPMENT AND/OR REHABILITATION OF HOUSING

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, largely assessed and zoned residentially, have all been found to be vacant lots or 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 2023 for nonpayment of taxes; and

WHEREAS, City Neighborhood Services staff is recommending that the City make a request to the Polk County Treasurer and take assignment of the tax sale certificates in accordance with Iowa Code Section 446.19A, in order for the certificates to be further assigned or conveyed pursuant to agreements to Greater Des Moines Habitat for Humanity, Home Opportunities Made Easy, Inc., Invest DSM and NFC Properties, LLC for rehabilitation or redevelopment of the properties for housing purposes; and

WHEREAS, Greater Des Moines Habitat for Humanity, (“GDMHH”, Ryan Doyle, Real Estate and Land Development Manager, 2200 E. Euclid Avenue, Des Moines, Iowa 50317) has offered to redevelop the parcels described as follows for housing if the City will acquire and assign the tax sale certificates or deed the parcel as follows:

- Assign tax certificate to City of Des Moines and work with GDMHH upon deed conveyance for: 1916 Washington Avenue.
- Assign tax certificate to GDMHH for: Parcel No. 782306333017, 2730 Dean Avenue, 2110 E Walnut Street, 2158 E Walnut Street, 124 E Broad Street, Parcel No. 792332357013, Parcel No. 792333378020, 3005 2ND Avenue, 2719 Franklin Avenue, 1714 Jefferson Avenue, 1604 Arlington Avenue, 1339 12th Street, 1318 E 14th Street, and 1316 E 14th Street

WHEREAS, Home Opportunities Made Easy, Inc. (“HOME, Inc.”, Tony Montgomery, 1618 6th Ave, Des Moines, IA 50314) has offered to redevelop the parcels described as follows for housing if the City will acquire and assign the tax sale certificates for the parcels as follows:



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- Assign tax certificate to HOME, Inc, for: 2901 Maple Street, 901 SE 7<sup>th</sup> Street, 3829 13<sup>th</sup> Street, and 1822 10<sup>th</sup> Street

**WHEREAS**, InvestDSM, (Amber Lynch, Executive Director, 525 Southwest 5th Street, Suite F, Des Moines, Iowa 50309), has offered to redevelop the parcels described as follows for housing if the City will acquire and assign the tax sale certificate or deed the parcel as follows:

- Assign tax certificate to City of Des Moines and work with InvestDSM upon deed conveyance for: 1112 Oak Park Avenue.
- Assign tax certificate to InvestDSM for: 3933 11<sup>th</sup> Street.

**WHEREAS**, NFC Properties, LLC, (Stephanie Murphy, Executive Director, 4908 Franklin Avenue, Des Moines, Iowa 50310), has offered to redevelop the parcels described as follows for housing if the City will acquire and assign the tax sale certificate for the parcel as follows:

- Assign tax certificate to NFC Properties, LLC for: 217 SE 28th Street, 813 SE 11th Street, 304 E Jackson Avenue, 1419 E Railroad Avenue, 813 SE 28th Street, 314 E Creston Avenue, 4450 SE 15th Street.
- 2345 E 11<sup>th</sup> Street, 1205 Sampson Street, 1479 E 19<sup>th</sup> Street, 919 SE 11<sup>th</sup> Street, 1306 E 15<sup>th</sup> Street.

**WHEREAS**, Neighborhood Services Department staff have identified four parcel described as follows for housing in conjunction with other City revitalization efforts. The City will acquire the tax sale certificate and work with other departments on integration into existing redevelopment plans the parcel as follows:

- Assign tax certificate to City of Des Moines for: 517 Franklin Avenue, 930 Thornton Avenue, 3615 SW 9<sup>th</sup> Street, 3609 SW 9<sup>th</sup> Street, and 3605 SW 9<sup>th</sup> Street

**WHEREAS**, Neighborhood Services Department staff have identified two parcel described as follows for housing in conjunction with other City revitalization efforts that will become available on the July or August 2023 adjourned sale. The City will participate in the adjourned sale, acquire the tax sale certificate, and work with other departments on integration into existing redevelopment plans the parcel as follows:

- Assign tax certificate to City of Des Moines for: 913 Douglas Avenue and 1814 8<sup>th</sup> Street

**WHEREAS**, Neighborhood Services Department staff have negotiated agreements with said non-profit organizations setting forth the terms and conditions for the City's acquisition and assignment or conveyances as set forth above with the goal of redevelopment for owner-occupied housing.

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

1. The assignment of the tax sale certificates and the Agreements now on file in the office of the City Clerk, by and between the City and Greater Des Moines Habitat for Humanity, HOME, Inc., InvestDSM, NFC Properties, LLC whereby the City agrees to assign the tax sale certificates or conveyance by quit claim deed for the parcels described above to the non-profit organization in



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consideration of the organization's undertakings to rehabilitate or redevelop the parcels for owner-occupied housing, are hereby approved.

2. 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.

3. The Neighborhood Services Department Director and his designee(s) are directed to work with the interested parties and nonprofits 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.

4. The Neighborhood Services Department Director is hereby authorized and directed to sign the Agreements on behalf of the City of Des Moines, and the Neighborhood Services Department Director is authorized and directed to sign the Acceptance of Restrictive Covenant for each property when provided by Greater Des Moines Habitat for Humanity, HOME, Inc., InvestDSM, NFC Properties, LLC and the City as applicable.

5. Upon full execution of the Agreements, the Neighborhood Services Department Director is authorized and directed to submit the Tax Sale Registration form and 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, and the Neighborhood Services Department Director their designee is hereby further authorized and directed to execute the Assignments of such tax sale certificate(s) to Greater Des Moines Habitat for Humanity, HOME, Inc., InvestDSM, or NFC Properties, LLC on behalf of the City of Des Moines as provided in said Agreements.

(Council Communication No. 23-289)

Moved by Gatto to adopt, Second by Mandelbaum

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	6			1
MOTION CARRIED	APPROVED			

J. M. Frankin 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