



Roll Call Number

24-0802

Agenda Item Number

20

Date June 3, 2024

APPROVING REQUEST TO POLK COUNTY TREASURER, AND APPROVING AGREEMENTS WITH NONPROFITS 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 2024 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 by agreement to Greater Des Moines Habitat for Humanity, Home Opportunities Made Easy, Inc., Neighborhood Finance Corporation, and Invest DSM for rehabilitation or redevelopment of the properties for housing purposes; and

WHEREAS, Greater Des Moines Habitat for Humanity, (GDMHH, Lance Henning, Chief Executive Officer, 95 University Avenue, Suite 1, Des Moines, Iowa 50314) has offered to redevelop the parcels described as follows for housing if the City will acquire and assign the tax sale certificates or deed for the parcel as follows:

Assign tax certificate to GDMHH for: 1301 10th Street, 1305 Mckinley Avenue, 1705 E Diehl Avenue, 2425 SE 7th Street, 908 E 22nd Street, Des Moines.

WHEREAS, Home Opportunities Made Easy, Inc. (HOME, Inc., Carrie Woerdeman, Executive Director, 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 certificate or deed for the parcel as follows:

Assign tax certificate HOME, Inc: 1201 Evans Street, 1422 22nd Street, 1508 Arlington Avenue, 1621 Jefferson Avenue, 309 Clark Street, Des Moines.

WHEREAS, Neighborhood Finance Corporation, (NFC Properties LLC, Zack Lacquement, Vice President, 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:



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Assign tax certificate to Neighborhood Finance Corporation for: 2158 E Walnut Street, 217 SE 28th Street, 2542 Onawa Street, 2713 E 37th Street, 532 36th St, 623 SE 28th Court, 813 SE 28th Street, Des Moines

WHEREAS, Invest DSM, (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 for the parcel as follows:

Assign tax certificate to Invest DSM for: 3933 11th Street, 909 26th Street, 1103 22nd Street, Des Moines

WHEREAS, Neighborhood Services Department staff have identified the parcels 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: 821 SE 7th Street, 3609 SW 9th Street, 3615 SW 9th Street, 3911 Lay Street, 1710 Forest Avenue, 1904 11th Street, 1711 10th Street, 1625 7th Street, 1619 7th Street, 1450 8th Street, 220 Guthrie Avenue, Des Moines.

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., Neighborhood Finance Corporation, and Invest DSM whereby the City agrees to assign the tax sale certificates for the parcels described above to the non-profit organization in 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 Affidavit for the Treasurer's offices and 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., Neighborhood Finance Corporation, Invest DSM and the City as applicable.
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, and the Neighborhood Services Department Director 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., Neighborhood Finance Corporation, or Invest DSM on behalf of the City of Des Moines as provided in said Agreements.



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6. The City Manager is authorized to sign the registration for the June 17, 2024 tax sale and adjourned sales.

(Council Communication No. 24-236)

Moved by Gatto to adopt.

Second by Voss.

FORM APPROVED:

/s/ Chas M. Cahill
Chas Cahill, Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include BOESEN, SIMONSON, VOSS, COLEMAN, WESTERGAARD, MANDELBAUM, GATTO, and TOTAL (7 yeas).

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.

MOTION CARRIED APPROVED
Cornie Boesen Mayor

Laura Baumgartner City Clerk