



Roll Call Number

24-0584

Agenda Item Number

29

Date April 15, 2024

APPROVING REQUEST TO POLK COUNTY AND APPROVING DEVELOPMENT AGREEMENTS OF TAX SALE 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 if 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; and

WHEREAS, on June 12th, 2023, by Roll Call 23-0834 Council approved registration with Polk County for the current year’s participation in the tax sale and further registration is not required until June 2024; and

WHEREAS, 1168 22nd Street, 1706 23rd Street, and 1552 23rd Street were sold at tax sale in previous years for nonpayment of taxes, however no bidder emerged, and Polk County is the current holder of the tax sale certificate; 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, for the certificates to be processed and promote rehabilitation or redevelopment of the properties for housing purposes; and

WHEREAS, Invest DSM (Amber Lynch, 525 SW 5th St, Des Moines, IA 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 for the parcel as follows:

Assign tax certificate to City of Des Moines and work with Invest DSM upon deed assignment for: 1168 22nd Street, Parcel Number: 7824-05-127-023; and

WHEREAS, Greater Des Moines Habitat for Humanity (“Habitat”, Lance Henning, 95 University Avenue, 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 certificate or deed for the parcel as follows:

Assign tax certificate to City of Des Moines and work with Habitat upon deed assignment for: 1706 23rd Street, Parcel Number: 7924-33-203-024 and 1552 23rd Street, Parcel Number: 7924-33-401-003.



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

1. The Mayor is hereby authorized and directed to sign the Agreement with Polk County on behalf of the City of Des Moines, and accept assignment of the tax sale certificates, provide notice, and pursue the tax sale deed for the parcels described above.
2. 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, Invest DSM, and Habitat whereby the City agrees to accept assignment of the tax sale certificates, provide notice, and pursue the tax sale deed for the parcels described above and collaborate with the non-profit organization in consideration of the organization's undertakings to rehabilitate or redevelop the parcels for owner-occupied housing, are hereby approved.
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. 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 Invest DSM, Habitat, and the City as applicable.
6. 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 Invest DSM and Habitat. or pursue the tax sale deed on behalf of the City of Des Moines as provided in said Agreements.

(Council Communication No. 24-160)

Moved by Coleman to adopt.  
Second by Yotto

FORM APPROVED:

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



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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN	✓			
SIMONSON	✓			
VOSS	✓			
COLEMAN	✓			
WESTERGAARD	✓			
MANDELBAUM	✓			
GATTO	✓			
<b>TOTAL</b>	7			
MOTION CARRIED		APPROVED		

 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.

 City Clerk