

PLANNING & DEVELOPMENT

518 West Fourth Street
Davenport, Iowa 52801-1106
E-mail: planning@scottcountyiaowa.com
Office: (563) 326-8643 Fax: (563) 326-8257



Timothy Huey
Director

To: Mahesh Sharma, County Administrator

From: Timothy Huey, Planning Director

Date: April 8, 2019

Re: Third request by the City of Davenport to amend Scott County Code Chapter 36 which allows the city purchase the tax sale certificate on abandoned or vacant properties with delinquent taxes prior to such certificates being offered at the Treasurer's annual public bidders sale.

In 2000, the City of Davenport's Community Development and Legal Staff requested and the Board adopted a Tax Sale Certificate Ordinance enabled by a change that year in the Iowa Code. The ordinance allowed cities or the county to bid on and purchase tax certificates on tax delinquent properties in order to provide low and moderate income housing. The purpose of the ordinance was to allow local governments to identify abandoned or nuisance properties and for a city or county to obtain these properties earlier in the tax sale process. Under the established tax deeds procedures the County does not receive a tax deed for a property until after the taxes have been delinquent for at least three years and no third party has purchased the tax certificate.

The ordinance adopted by Scott County in 2000 required that prior to the purchase of the tax certificate, the county or the city file a verified statement that the parcel to be purchased is abandoned and deteriorating in condition and that the parcel, following rehabilitation, is suitable for use for low or moderate income housing. This allowed the city to acquire properties suitable for rehabilitation earlier, before they have sat vacant and deteriorating for many years until the County redeems a Tax Deed. Since the adoption of this ordinance, no properties have been acquired by the City for rehabilitation under the provisions of this ordinance.

In 2004 Tom Warner, with the City of Davenport, submitted a request to amend County Code Chapter 36 to incorporate further changes in Iowa Code. Those changes included removing the provision that required a property be "*suitable for use for low or moderate income housing*".

Tom Warner, City Attorney, with the City of Davenport has again submitted a request for Scott County to amend its Tax Sale Certificate ordinance. It includes a new definition of "abandoned" property and adds vacant lots to the type of property that can be acquired. It keeps in the requirement that prior to the purchase, the county or city shall file with the county treasurer a verified statement that the parcel to be purchased is an abandoned property, vacant lot, is or likely to become, a public nuisance.

A copy of the amendment with the requested changes is attached. Robert Cusack, Assistant County Attorney has reviewed these changes and found them to be legally sufficient. Staff would recommend approval of these amendments

ORDINANCE NO. ____

AN ORDINANCE AMENDING CHAPTER 36 TAX SALE CERTIFICATE OF THE SCOTT COUNTY IOWA CODE, BY AMENDING NUMEROUS SECTIONS THERETO

BE IT ENACTED BY THE BOARD OF SUPERVISORS OF SCOTT COUNTY IOWA:

Section 1. That Chapter 36 of the Scott County Iowa Code, be and the same is hereby amended to read as follows:

CHAPTER 36 TAX SALE CERTIFICATE

SECTIONS:

- 36-1. PURPOSE
- 36-2. DEFINITIONS
- 36-3. PURCHASING DELINQUENT TAXES
- 36-4. PROCEDURE
- 36-5. VERIFIED STATEMENT
- 36-6. ASSIGNMENT OF TAX SALE CERTIFICATES
- 36-7. PURCHASE OF TAX SALE CERTIFICATES
- 36-8. INTENT TO REHABILITATE THE PROPERTY

SEC. 36-1. PURPOSE

The purpose of this ordinance is to allow the county and cities within the county the opportunity to utilize Iowa Code 446.19A, which states that the board of supervisors of a county may adopt an ordinance authorizing the county and each city in the county to bid on and purchase delinquent taxes and to assign tax sale certificates of an Abandoned Pproperty or Vacant Lot.

SEC. 36-2. DEFINITIONS

For the purpose of this ordinance, the following terms shall be defined as follows:

- A. "Aa Abandoned Property," as in Iowa Code ~~657A.1(1)~~ 446.19A which states "Abandoned property" means a lot or parcel containing a building which is used or intended to be used for residential purposes and which has remained vacant and has been in violation of the housing code of the city in which the property is located or of the housing code applicable in the county in which the property is located if outside the limits of a city, for a period of six consecutive months. ~~"Abandoned" or "abandonment" means that a building has remained vacant and has been in violation of the housing code of the city in~~

~~which the property is located or the housing code applicable in the county in which the property is located if outside the limits of a city for a period of six consecutive months.~~

“Vacant Lot” means a lot or parcel located in a city or outside the limits of a city in a county that contains no buildings or structures and that is zoned to allow for residential structures.

~~CB.~~ “Public Nuisance” as in Iowa Code 657A.1(7) which states “Public nuisance” means a building that is a menace to the public health, welfare, or safety, or that is structurally unsafe, unsanitary, or not provided with adequate safe egress, or that constitutes a fire hazard, or is otherwise dangerous to human life, or that in relation to the existing use constitutes a hazard to the public health, welfare, or safety by reason of inadequate maintenance, dilapidation, obsolescence, or abandonment.

SEC. 36-3. PURCHASING DELINQUENT TAXES

Pursuant to Iowa Code 446.19A, as amended by the 78th General Assembly, the county and each city in the county are hereby authorized to bid on and purchase delinquent taxes and to assign tax sale certificates of an Abandoned Property or Vacant Lot acquired under Iowa Code 446.19A.

SEC. 36-4. PROCEDURE

On the day of the regular tax sale or any continuance or adjournment of the tax sale, the county treasurer on behalf of the county or a city may bid for and purchase an Abandoned property, Vacant Lot or Public Nuisance property assessed as residential property or as commercial multifamily housing property a sum equal to the total amount due. The county or city shall not pay money for the purchase, but each of the tax levying and tax certifying bodies having interest in the taxes shall be charged with the total amount due the tax levying or tax certifying body as its just share of the purchase price.

SEC. 36-5. VERIFIED STATEMENT

Prior to the purchase, the county or city shall file with the county treasurer a verified statement that at parcel to be purchased is An Abandoned Property, Vacant Lot and deteriorating in condition, or is likely to become, a Public Nuisance.

SEC. 36-6. ASSIGNMENT OF TAX SALE CERTIFICATES

After the date that a parcel is sold pursuant to Iowa Code section 446.18, 446.19A, 446.38 or 446.39, if the parcel assessed as residential property or as commercial multifamily housing property is identified as an Abandoned Property, Vacant Lot, or a Public Nuisance pursuant to a verified statement filed pursuant to section 5, a city or county may require the assignment of the tax sale certificate that had been issued for such parcel by paying the holder of such certificate the total amount due on the date the assignment of the certificate is made to the county or city and recorded with the county treasurer. If the certificate is not reassigned by the county or city, the county or city, whichever is applicable, is liable for the tax sale interest that was due the certificate holder pursuant to section 447.1, as of the date of reassignment.

SEC. 36-7. PURCHASE OF TAX SALE CERTIFICATES

The city or county may assign or reassign the tax sale certificate obtained pursuant to this ordinance. Persons who purchase certificates from the city or county pursuant to this ordinance are liable for the total amount due the certificate holder pursuant to section 447.1.

SEC. 36.8 INTENT TO REHABILITATE THE PROPERTY

All persons who purchase certificates from the city or county under this ordinance shall demonstrate the intent to rehabilitate the property for habitation if the property is not redeemed. In the alternative, the county or city may, if the title to the property has vested in the county or city under section 448.1, dispose of the property in accordance with section 331.361 or 364.7, as applicable.

SEVERABILITY CLAUSE. If any of the provisions of this ordinance are for any reason illegal or void, then the lawful provisions of this ordinance, which are separable from said unlawful provisions shall be and remain in full force and effect, the same as if the ordinance contained no illegal or void provisions.

REPEALER. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

EFFECTIVE DATE. This ordinance shall be in full force and effective after its final passage and publication as by law provided.

First Consideration _____,
Second Consideration _____,
Third Consideration _____,

Tony Knobbe
Chairman, Board of Supervisors

Attest: _____
Roxanna Moritz
County Auditor

Published on _____.