

Disposition of County Owned Properties Policy

STATEMENT OF INTENT:

It shall be the policy of the Polk County Board of Supervisors to promote the production of affordable housing and the residential and commercial revitalization of neighborhoods by making available Tax Deed and excess properties owned by the County. The disposition of such County owned properties shall be in accordance with this policy. The Board of Supervisors may make exceptions or modifications to this policy as deemed appropriate.

IMPLEMENTATION:

TAX DEED PARCELS

County owned Tax Deed properties shall be disposed of by proposal in accordance with Iowa Code--Sections 569.8 and 331.361. Properties, which are likely to be in demand, will be sold to the highest bidder. Other properties may be conveyed without competitive bidding. All parcels will be conveyed by Quit Claim Deed.

A. PARCEL LIST

1. The Department of Public Works, Housing Services Division, shall maintain an up to date list of parcels available for disposal.
 - i) The list will include and so designate parcels that are buildable and non-buildable.
 - (1) Buildable lots will have at minimum 50-foot frontages, unless otherwise noted, or are recognized "lots of record" and considered buildable by the jurisdiction.
 - (2) Non-buildable parcels or "side lots" will be sold in accordance with section D.
2. New buildable Tax Deed Parcels will only be added to the list of parcels available for disposal after "First right of acquisition", Land Bank process, and then a public auction. Such properties shall be advertised on the Polk County website and also in the Real Estate Section of the Classified Advertisements of the Des Moines Register not less than four (4) days or more than twenty (20) days prior to the Public Auction. Those properties not sold at auction will be added to the list of parcels available for disposal.
3. Polk County municipalities, public utilities and private not for profit housing organizations may review the parcel list and request "first right of acquisition" for public purposes. First right of acquisition provides to the entity making the request that the County will give those entities first priority and will not sell a parcel when an appropriate request has been made. The entity shall provide written evidence of the intended purpose and include a time line for use of the parcel(s). The Board of Supervisors, in its sole discretion, will determine if the proposed use is a public purpose. The Board of Supervisors may establish terms or conditions of transfer as deemed appropriate to protect the public purpose.
4. When the State or Federal governments request Tax Deed parcels for a public purpose, the same requirements and benefits as those identified in #3 above will apply. All parcels requested by municipalities, other government agencies and utilities will be transferred upon approval by the Board of Supervisors. Parcels that are to be used for a public purpose, as determined by the Board of Supervisors, will be sold for at a cost established by the Board of Supervisors. Parcels not to be used for a public purpose will be conveyed for the fair market value as determined by the most recent assessed value of the property or from an appraisal. Private not-for-profit housing organizations may request that one or more parcels be held in Land Bank. Land Bank is as follows: the parcel(s) will be held for up to 24 months from the time the request is granted. Requests must be in writing and include the same information required for the "first right of acquisition" and the estimated time frame before acquisition can be completed. The Land Bank List will be reviewed quarterly and reserved parcels on the list after the 24-month expiration will be removed and will become available for disposal to the public.

5. "Qualified" buyers may purchase from the list of parcels available for disposal or a parcel at auction. "Qualified" is an individual, firm or corporation that is not or has not been delinquent on their own property taxes within the last 48 months for a period longer than 60 days past due and/or was not the previous owner of the vacant parcel that was sold at tax sale.

B. VACANT PARCELS SOLD TO THE HIGHEST BIDDER

Qualified buyers shall have the opportunity at auction to acquire parcels on a competitive basis. No parcel will be sold for less than the minimum assessed value of the property. If the minimum bid price is not offered, the parcel will be withdrawn from the auction. Minimum bids are established by the most current assessed value of the property. Minimum bid amounts will be published as part of the public advertisement for County Tax Sale Auctions. It shall be the intent of the County to recover legal and transfer fees.

C. VACANT PARCELS SOLD WITHOUT COMPETITIVE BIDDING

1. The County shall determine the fair market value of any parcel to be sold without competitive bidding.
2. Qualified buyers may acquire vacant parcels without competitive bidding by offering in writing to pay at least the fair market value of the property. If appropriate, the County will complete an appraisal of the fair market value.
3. Not-for-profit housing organizations may acquire vacant properties without competitive bidding by submitting in writing to Public Works an offer for at least the assessed value of the property. The offer shall provide proof that the intended use of the vacant parcel(s) conforms to all established City or Neighborhood Plans or codes.

D. VACANT SIDE LOT BY PROPOSAL

Whenever there is a County owned parcel with less than fifty (50) foot of frontage it will be available for sale only to the adjacent property owners which share the same street frontage as the County owned parcel, provided the following conditions and procedures are met:

1. A written invitation for proposal is delivered to all qualified buyers.
2. Only the titleholders of structures which abut the property on the same street frontage as the County owned property are qualified buyers.
3. Within the 15 calendar days of the written invitation, a qualified buyer either refuses the property in writing or accepts the property by submitting a written proposal to Public Works along with a check to the Polk County Treasurer in the amount of **\$500.00**. The Board of Supervisors, upon recommendation of the Public Works Director, is authorized by resolution to waive the \$500 minimum value when disposal of the property is in the mutual interest of both parties. For example when documentation can show that maintenance costs of the property and increased property tax revenue will save taxpayer expense. No response from a qualified buyer within 15 days is a refusal to propose to purchase the property.
4. If more than one qualified buyers desire the property and the property can be split without platting, the County shall either divide the parcels into pieces of equal area, or the County shall accept the mutually agreed upon division of the property into pieces as suggested by the qualified property owners.
5. When more than one adjacent property owners declare an interest in purchasing a part or all of the County-owned parcel, and one of them owns a parcel which has less than the minimum lot frontage required by community regulations, preference will be given to that title holder that needs to add frontage to meet the community requirements.
6. The qualified buyer shall pay the cost in any case where the property must be platted to perform the split.

7. If one or more of the qualified buyer(s) reject the property or fail to submit a written proposal within the 15-day time frame, then the remaining qualified buyer(s) shall be eligible to divide the property.
8. In no case, where the property is being split shall any of the parcel remain in Polk County's name.
9. The Quit Claim Deed shall be drafted so that the parcel being deeded can be combined with the successful buyer's property as one taxable parcel. If the parcels cannot be combined because they are in different plats, one parcel will be assessed with the other for taxing purposes.
10. If qualified buyer(s) contest the terms or conditions of transfer as outlined in this policy, the property may be taken to the next public auction and sold as one parcel to the highest bidder.

E. VACANT ADJOINING AND LAND LOCKED PARCELS BY PROPOSAL

Vacant adjoining and landlocked parcels are available and for sale only to qualified titleholders who abut the property. Adjoining parcels share common boundaries but not the same street face. Land locked parcels share common boundaries but have no street frontage.

1. A written invitation for proposal is delivered to all qualified buyers.
2. Within 15 calendar days of the written invitation, a qualified buyer either refuses the property in writing or accepts the property by submitting a written proposal to the Housing Services Division along with a check written to the Polk County Treasurer in the amount of \$500.00. The Board of Supervisors, upon recommendation of the Public Works Director, is authorized by resolution to waive the \$500 minimum value when disposal of the property is in the mutual interest of both parties. For example when documentation can show that maintenance costs of the property and increased property tax revenue will save taxpayer expense. No response from a qualified buyer within 30 days is a refusal to propose to purchase the property.
3. If more than one qualified buyers desire the property and the property can be split without platting, the County shall either divide the parcel into pieces of equal area, or the County shall accept a mutually agreed upon division of the property into pieces as suggested by the qualified buyers.
4. The qualified buyers shall pay the cost in any case where the property must be platted to perform a split.
5. If one or more of the qualified buyers reject the property or fail to submit a proposal within the stated time frame, then the remaining qualified buyer(s) shall be eligible to divide the property.
6. In no case, where the property is being split shall any of the parcels remain in Polk County's name.
7. The Quit Claim Deed shall be drafted so that the parcel being deeded can be combined with the successful qualified buyer's property as one taxable property. If the parcels cannot be combined because they are in different plats, one parcel will be assessed with the other for taxing purposes.
8. If one of the qualified buyer's contests the terms or conditions of the transfer as outlined in this policy, the property shall be taken to the next public auction and sold as one parcel to the highest bidder.
9. Whenever, an initial or resultant parcel is less than 1,000 square feet, or is encumbered by easement, or is subject to adverse usage, a purchase price of less than \$500.00 may be negotiated.

F. PARCELS WITH UNSOUND STRUCTURES

Structures on parcels that the County determines are structurally unsound and that cannot be cost effectively rehabilitated, will be demolished and the parcel offered as a vacant parcel.

G. PARCELS WITH HABITABLE STRUCTURES BY PROPOSAL

Parcels with structures which are determined by a qualified inspector to be habitable and meet applicable City or County Codes for owner-occupied or rental dwellings will be sold by competitive bid only. An open invitation for bids will be sought through public advertising. The lowest acceptable bid price above the appraised value will be determined and advertised following an appraisal of the property and structure. The successful bidder will be required to provide proof of financing and take occupancy within 60 days from the date the offer is approved.

H. PARCELS WITH INHABITABLE STRUCTURES

1. If it has been determined that a parcel with a structure is not habitable, but can be rehabilitated for occupancy, The Housing Services Division will offer the parcel for the assessed value by issuing written invitations to all qualified buyers to sell at auction as set out in A.2 above. Qualified buyers include not-for-profit housing organizations and for profit developers who will rehabilitate vacant and deteriorated structures to be reused for affordable or market rate housing. Polk County will consult with appropriate City staff to determine if there are any issues with the rehabilitation of the home prior to selling the property.
2. The successful bidder will submit payment for the winning bid price by cashier's check. Once received, the Public Works Department will make a recommendation for approval by resolution to the Board of Supervisors and follow all applicable laws regarding the conveyance of County-owned property under Iowa Administrative Code.

SALE OF EXCESS COUNTY PROPERTY

The County may dispose of an interest in non-tax deed real estate after the Board of Supervisors has, by Resolution, determined that the subject real estate is excess property.

A. EXCESS DETERMINATION

A determination that real estate is excess property shall be made according to the following procedure:

1. A person, corporation, municipality, state or federal agency shall submit a written request to the Board of Supervisors that County-owned real estate be considered excess property.
2. Such request will be referred to the Department of Public Works and County Attorney for a recommendation.
3. Public Works will obtain at least one appraisal from a qualified firm, who shall consider the value of the real estate in its existing state, and shall determine a value for its highest and best use. If required, a plat of survey will be completed.
4. If the property is located in a potentially contaminated area, and no clearance report is available, testing will be completed. If found to be contaminated, additional cleanup procedures may be followed prior to proceeding with any further recommendations.

B. DISPOSITION OF EXCESS PROPERTY

Public Works will prepare a recommendation to the Board of Supervisors setting forth a method of disposal such as auction, proposal, or lease. If the disposition method is by gift, a written description of its public purpose will be attached to the recommendation. If the method of disposition is other than public auction, the recommendation shall set forth all terms, performance standards, restrictive covenants, or any other conditions which must be met by the purchaser.

1. The Board of Supervisors may approve or modify by Resolution, and/or direct Public Works to proceed with the disposition of the excess property.

2. A bona-fide purchaser will provide a certified check in the amount of purchase, recording fees, and any other agreed upon fees associated with the sale of the property.
3. Transfer of Title shall be by Quit Claim Deed after a Public Hearing by the Board of Supervisors.
4. If the County has possession of an abstract for the property of interest, it will be provided to the purchaser, who will be responsible for having it made current.
5. The Board of Supervisors, upon recommendation of the Public Works Director, is authorized by resolution to waive the minimum value when disposal of the property is in the mutual interest of both parties. For example when documentation can show that maintenance costs of the property and increased property tax revenue will save taxpayer expense.

C. ACQUIRED OR CONDEMNED PROPERTY FOR HIGHWAYS

If property has been acquired or condemned for highway purposes, and is determined to be excess property:

1. It may be purchased by the previous owner or an adjacent property owner (Iowa Code 306.23) or
2. It will be disposed of using the same procedures as those for Disposition of Tax Deed Parcels.

ABSTRACTS

The County will not provide abstracts to any purchaser of County owned property acquired by Tax Deed unless one is currently in existence and included in the parcel file.

Contact: Public Works

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