

Fayette County Ordinance # 26

An Ordinance authorizing the County Treasurer to separately offer and sell delinquent taxes at public nuisance tax sale.

Be it enacted by the Board of Supervisors of Fayette County, Iowa:

Section 1: Purchase. The purpose of the Ordinance is to allow the county and the cities within the county the opportunity to utilize Iowa Code §446.19B, Code 2010, as amended. Iowa Code §446.19B authorizes counties and cities within the county to bid for and purchase tax sale certificates on parcels that are abandoned property and are assessed as residential or commercial multi-family housing property and that are or are likely to become, a public nuisance.

Section 2: Definitions. For the purposes of this ordinance, the following terms shall be defined:

- a) “abandoned” means the same as in Iowa Code §446.19A.
- b) “public nuisance” means the same as in Iowa Code §657A.1(7).

Section 3: Purchasing Delinquent Taxes. pursuant to Iowa Code §446.19B, the county and each city within the county are hereby authorized to bid on and purchase delinquent taxes and to assign tax sale certificates acquired at Public Nuisance Tax Sales.

Section 4: Procedure.

A. On or before May 15 the county or city may file with the county treasurer a verified statement containing a listing of parcels and a declaration that each parcel is abandoned property and, that each parcel is assessed as residential property or as commercial multi-family housing property; each parcel is, or is likely to become, a public nuisance; and, that each parcel is suitable for use as housing following rehabilitation.

B. The verified statement shall be published at the same time and in the same manner as the notice of the annual tax sale and the requirements in Iowa Code §446.9, subsection 2, for publication of notice of the annual tax sale also apply to publication of the verified statement.

C. On the day of the regular tax sale, or any continuance or adjournment of the tax sale, the treasurer shall separately offer and sell those parcels listed in a verified statement timely received and properly published and which remain liable to sale for delinquent taxes. This sale shall be known as the “public nuisance tax sale”. Notwithstanding any provision to the contrary, the percentage interest that may be purchased in a parcel offered for sale under Iowa Code 446.19B, or this ordinance, shall not be less than one hundred percent.

D. To be eligible to bid on parcels at the public nuisance tax sale, prospective bidders must enter a rehabilitation agreement with the county or city if the property is located within the city to demonstrate the intent to rehabilitate the property for use as housing if the property is not redeemed. County or City shall provide the Fayette County Treasurer the identities of all eligible bidders who have a valid rehabilitation agreement no less than 48 hours prior to the day of the regular tax sale.

Section 5: Structure Cannot Be Rehabilitated. If after issuance of a tax sale deed to the holder of a certificate of purchase at the public nuisance tax sale, the tax sale deed holder determines that a building, structure, or other improvement located on the parcel cannot be rehabilitated for habitation, the tax sale deed holder may request approval from the board of supervisors, or the city council if the property is located within a city, to remove, dismantle, or demolish the building, structure, or other improvement.

Section 6: No Bid. When a parcel is offered at public nuisance tax sale and no bid is received, or if the bid received is less than the total amount due, the county in which the parcel is located, through its county treasurer, shall bid for the parcel a sum equal to the total amount due. Money shall not be paid by the county or city for the purchase, but each of the tax-levying and tax-certifying bodies having any 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.

Section 7: Assignment of Tax Sale Certificate. Any tax sale certificate holder may assign the tax sale certificate obtained at the public nuisance tax sale in compliance with Iowa Code 446.19B and this ordinance. The assignee must have entered into a rehabilitation agreement with the county or the city if the property is located within the city to demonstrate the intent to rehabilitate the property for use as housing if the property is not redeemed.

Section 8: Repealer. Any ordinance or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 9: Severability. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision, or part thereof not adjudged invalid or unconstitutional.

Section 10: Effective Date. This ordinance shall become effective upon its final passage, approval and publication as provided by law. It applies to parcels first offered for sale at the tax sale held in June, 2011, and in subsequent years.

1st Reading 5/2/2011

2nd Reading 5/19/2011

3rd Reading waived

Motion by Supervisor DOLF and seconded by

Supervisor Rowland to approve the final reading of

Fayette County Ordinance 26, Delinquent Tax Ordinance.

Vote taken resulted as follows:

Ayes - Tellin, DOLF, Rowland

Nays - none

Absent - none

Passed and approved by the Fayette County Board of Supervisors on this 9th day of

May, 2011.

Board of Supervisors of Fayette County

ATTEST: Lori Moellers
Lori Moellers, Auditor

Jeanine Tellin
Jeanine Tellin, Chairperson