

December 15, 2014

To: Mayor Bemrich and City Council
From: David Fierke, City Manager
Subject: Waiver of Special Assessments
110 7th Avenue North



ACTION: For vote Monday, December 22, 2014

Brief History

Webster County held a tax sale certificate on the above-referenced property from 1995 until 2008. During that time and previous to 1995 delinquent taxes and special assessments accrued on the property. On August 15, 2008, Webster County redeemed the tax sale certificate and received a tax sale deed, becoming the legal titleholder of the property. The County then sold the property on February 3, 2009 and provided the new owner with a quit claim deed. It seems likely that the intent was for those taxes and special assessments to be forgiven as part of the transfer, but no forgiveness was ever documented. The adjacent property owner, Gale McKinney, has requested that the City and the County formally waive the delinquent taxes and special assessments so that he can obtain clear title to the property.

Analysis of Issue

The delinquent taxes and special assessments accrued from 1992 to 2008 should have been forgiven at the time of transfer from the County in 2008.

Budget Impact

The only budget impact will be the City and County's inability to collect the delinquent taxes and special assessments. Moving forward, however, the property taxes will be paid and the property maintained by Mr. McKinney.

Strategic Plan Impact

Policy C.1.5: The rehabilitation, reuse, or removal of currently unused or underutilized structures, sites and infrastructure shall be accomplished.

Existing Plan Impact

The waiver of the delinquent taxes and special assessments in order to allow the transfer of clear title to Mr. McKinney is consistent with the Envision 2030 Plan.

Subcommittee or Commission Review / Recommendation

None

Staff Conclusions / Recommendations

Approve the waiver of all delinquent taxes and special assessments accrued prior to February 3, 2009.

Alternatives

The only alternative would be to not waive the delinquent taxes and special assessments.

Implementation and Accountability

Provide notification to Webster County of the City's concurrence to waive delinquent taxes and special assessment accrued on this property prior to February 3, 2009.

Signed

Approved



Vickie Reeck, Community
Development Manager

David R. Fierke
City Manager

RESOLUTION NO. _____

RESOLUTION APPROVING THE WAIVER OF DELINQUENT TAXES AND SPECIAL ASSESSMENTS ON THE PROPERTY AT 110 7TH AVENUE NORTH

WHEREAS, delinquent taxes and special assessments accrued on the above-referenced property from 1992 until 2008; and,

WHEREAS, Webster County received a tax sale deed to the property on August 15, 2008 and later transferred the property by quit claim deed on February 3, 2009; and,

WHEREAS, it seems likely that the intent at the time of transfer was to forgive all delinquent taxes and special assessments, but no such forgiveness was ever documented; and

WHEREAS, in order for the adjacent property owner, Gale McKinney, to get clear title to the property, he has requested all delinquent taxes and special assessment accrued prior to February 3, 2009 be waived.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF FORT DODGE, IOWA hereby approves the waiver of all delinquent taxes and special assessments accrued prior to February 3, 2009 on the property at 110 7th Avenue North.

PASSED AND APPROVED by the City Council of the City of Fort Dodge, Iowa, this _____ day of _____, 2014.

AYES: _____

NAYS: _____

OTHER: _____

City of Fort Dodge, Iowa

Matt Bemrich, Mayor

ATTEST:

Jeff Nemmers, City Clerk



Gale and Audra McKinney

1107th Ave N

Gale and Audra McKinney

LOOMIS PARK DR

E RIVERSIDE DR

HAWKEYE AVE

7TH AVE N

N 2ND ST

8TH AVE N

7TH AVE N

December 5, 2014

City Council
City of Fort Dodge, Iowa
819 1st Avenue South
Fort Dodge, Iowa 50501

Board of Supervisors
Webster County, Iowa
701 Central Ave.
Fort Dodge, Iowa 50501

RE: Property 0719128031; 110 7th Ave N Fort Dodge, Iowa

Dear Council Members & Board Members:

We have recently acquired the above property which is located adjacent to other property we own in this area of Fort Dodge. 7th Ave N has been an area in poor repair and maintenance; upon choosing this location to build our home we have taken it upon ourselves to assist in making this an attractive and safe residential area. Our intent is to clean up the property and maintain its natural beauty so as to continue to enhance this area of our community.

Upon acquisition of the property it was noted that the City of Fort Dodge, Iowa and The County of Webster, Iowa have property tax liens and assessments dating back several years, the majority of which predates the previous owners from whom we have acquired the property. We would respectfully ask that we be released from these prior property taxes and property assessments so we can complete the purchase of this real estate and return it to a productive tax producing parcel.

Sincerely,



Mr. Gale W. McKinney II, CPA
128 7th Ave N
Fort Dodge, Iowa 50501

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October 25, 2013

Webster County Board of Supervisors
701 Central Avenue
Fort Dodge, IA 50501

Re: 110 7th Avenue North
Parcel No. 0719128031

Dear Supervisors:

I am writing to request that the Board of Supervisors consider forgiving delinquent real estate taxes on parcel number 0719128031. The address of the parcel is 110 7th Avenue North, Fort Dodge and is currently a vacant, wooded lot. The current titleholder is Midwest Construction Services ("Midwest").

The property in question was owned by Michael E. and Mary K. Thede from 1980 until 1995. On June 19, 1995, it was sold at tax sale for non-payment of the fiscal year 1992/1993 real estate taxes. Webster County was the purchaser at the tax sale and received a tax sale certificate. Other than a brief period in 2002 when the certificate was assigned to Richard Clark before being returned to the county, Webster County held the tax sale certificate from 1995 until 2008.

On August 15, 2008, Webster County redeemed the tax sale certificate and received a tax sale deed, becoming the legal titleholder of the property. On February 3, 2009, the property was transferred by quit claim deed to Midwest.

During the 14-year period in which Webster County held the tax sale certificate, no real estate taxes were paid on the property, and the accrued but unpaid taxes were not collected prior to the county's deeding of the property to Midwest in 2008. It seems likely that the intent was for those taxes to be forgiven as part of the transfer, but no forgiveness was ever documented. Midwest has been paying the taxes since taking title, beginning with fiscal year 2008/2009, and until very recently was unaware that this delinquent tax bill existed. The Webster County Treasurer's office had taken steps to prevent the property from being listed for sale each year while Webster County held the tax sale certificate, and as result, the delinquent taxes did not

JOHNSON, KRAMER, GOOD, MULHOLLAND, COCHRANE & DRISCOLL, P.L.C.
Attorneys and Counselors at Law

October 25, 2013
Page 2

appear in a typical abstract continuation or lien search performed by the local abstract companies.

It is in the best interest of the county that the delinquent taxes be forgiven. Midwest is no longer able to pay the current taxes as they come due, and desires to sell the property to my clients, Gale and Audra McKinney, at this time. The delinquent tax bill, in the amount of \$2,560, is an impediment to the sale. If Mr. and Mrs. McKinney are able to purchase the property, they will ensure that it is properly maintained and that the real estate taxes are paid annually. If the sale is not completed, however, the property will most likely end up being sold to Webster County at tax sale again, with the county losing out on additional tax revenue and having to maintain the property.

In light of the foregoing, I request that the outstanding real estate taxes from 1992 through 2007 be forgiven. Thank you for your consideration.

In you have questions or would like additional information, please feel free to contact me.

Sincerely yours,

JOHNSON, KRAMER, GOOD, MULHOLLAND,
COCHRANE & DRISCOLL, P.L.C.

By



Nicholas K. Cochrane

NKC:djs
cc: Webster County Treasurer

- #3 There will be in 9/80
- #4 55 County purchased RE at tax sale 6/19/95 \$273.00 (incl. int/costs) 1992 year
 • Notice of Expiration of Right of Redemption dated 5/13/08 states Webster County is now the owner
- #5 Tax Sale back to Webster County 8/15/08 for delinquent taxes 1992 and 1993
- #6 OCB Wel. Co. to Midwest Construction Services 2/3/09

10/24/13

Taxes	TOTAL		TAX		Special Assessments	
	Year	Amount	Year	Amount	JA	TOTAL
Year 1992	1992	273.00	1992	150.00		
Year 1993	1993	697.00	1993	150.00		
Year 1994	1994	669.00	1994	150.00	Year 1996	Sidewalk Repairs 1444.85 5627.85
Year 1995	1995	592.00	1995	146.00	Year 1997	Weed control 117.97 437.97
Year 1996	1996	574.00	1996	147.00	Year 1997	Weed control ^{removal} 16.23 283.23
Year 1997	1997	562.00	1997	142.00	Year 1998	Weed removal 109.75 407.75
Year 1998	1998	527.00	1998	140.00	Year 1999	snow removal 40.00 141.00
Year 1999	1999	540.00	1999	162.00	Year 2000	Weed removal 85.86 281.86
Year 2000	2000	524.00	2000	156.00	Year 2000	Weed removal 71.84 240.84
Year 2001	2001	429.00	2001	144.00	Year 2001	snow removal 109.00 556.00
Year 2002	2002	403.00	2002	141.00	Year 2002	Weed removal 67.36 201.36
Year 2003	2003	377.00	2003	141.00	Year 2002	Weed removal 71.09 237.05
Year 2004	2004	361.00	2004	140.00	Year 2005	Weed removal 70.00 184.00
Year 2005	2005	316.00	2005	140.00	Year 2006	Weed removal property clean up 85.00 193.00
Year 2006	2006	291.00	2006	140.00	Year 2007	nuisance invoices 130.00 281.00
Year 2007	2007	258.00	2007	136.00	Year 2007	Weed removal 270.00 470.00
Year 2012	2012	175.00	2012	174.00	Year 2007	Weed removal 210.00 449.00
		<u>7638.00</u>		<u>2560.00</u>	Year 2008	nuisance invoices 201.00 451.00
						3218.91 <u>10748.91</u>