

## CHAPTER 55

### CITY OR COUNTY ACQUISITION OF ABANDONED PROPERTY — TAX SALES — PETITIONS FOR TITLE — EXCEPTIONS

S.F. 554

**AN ACT** relating to the acquisition of title to abandoned property in the unincorporated area of a county.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. [Section 448.13](#), Code 2021, is amended to read as follows:

**448.13 Cancellation of tax sale and certificate of purchase — refund of purchase money.**

If the county treasurer receives a verified statement from a city or county stating that a parcel sold at tax sale contains a building which ~~that~~ is abandoned, as those terms are defined in [section 657A.1](#), prior to redemption of the parcel under [chapter 447](#) or the issuance of a tax deed for the parcel, and the verified statement is accompanied by a petition filed by the city or county under [section 657A.10B](#) for title to the parcel, the county treasurer shall make an entry in the county system canceling the sale of the parcel and shall refund the purchase money to the tax sale certificate holder.

Sec. 2. [Section 657A.10B](#), Code 2021, is amended to read as follows:

**657A.10B Petition by city or county for title to abandoned property.**

1. For purposes of [this section](#), when referring to the location of an abandoned building, “county” means only the area of the county located outside the limits of a city.

~~1.~~ 2. a. In lieu of the procedures in [sections 657A.1A through 657A.10](#) and [657A.10A](#), a city or county in which a building that has been abandoned for at least six consecutive months is located may petition the court to enter judgment awarding title to the abandoned property to the city or county. A petition filed under [this section](#) shall include the legal description of the abandoned property. If more than one abandoned building is located on a parcel of real estate, the city or county may combine the actions into one petition. The owner of the building and grounds, mortgagees of record, lienholders of record, or other known persons who hold an interest in the property shall be named as respondents on the petition.

b. The petition shall be filed in the district court of the county in which the property is located. Service on the owner and any other named respondents shall be by personal service or certified mail or, if service cannot be made by either method, by posting the notice in a conspicuous place on the building and by publication in a newspaper of general circulation in the city or county. The notice shall include a statement of the city’s or county’s intended use of the property or purpose for acquiring the property. The action shall be in equity.

c. A county shall not petition to acquire title to any property under [this section](#) if the property is larger than two and one-half acres.

d. A county shall not petition to acquire title to a property under [this section](#) unless the county submits to the court a plan to transfer title to the property to another entity no more than eighteen months after the court enters judgment and order awarding title to the county under [this section](#).

~~2.~~ 3. Not sooner than sixty days after the filing of the petition, the city or county may request a hearing on the petition.

3. 4. In determining whether a property has been abandoned, the court shall consider the following for each building that is located on the property and named in the petition and the building grounds:

a. Whether any property taxes or special assessments on the property were delinquent at the time the petition was filed.

b. Whether any utilities are currently being provided to the property.

c. Whether the building is unoccupied by the owner or lessees or licensees of the owner.

d. Whether the building meets the city’s or county’s housing code as being fit for human habitation, occupancy, or use.

e. Whether the building meets the city’s or county’s building code as being fit for occupancy or use.

- f. Whether the building is exposed to the elements such that deterioration of the building is occurring.
- g. Whether the building is boarded up or otherwise secured from unauthorized entry.
- h. Past efforts to rehabilitate the building and grounds.
- i. Whether those claiming an interest in the property have, prior to the filing of the petition, demonstrated a good-faith effort to restore the property to productive use.
- j. The presence of vermin, accumulation of debris, and uncut vegetation.
- k. The effort expended by the petitioning city or county to maintain the building and grounds.
- l. Past and current compliance with orders of the local housing or building code official.
- m. Any other evidence the court deems relevant.
4. 5. In lieu of the considerations in subsection 3, 4, if the city or county can establish to the court's satisfaction that all parties with an interest in the property have received proper notice and either consented to the entry of an order awarding title to the property to the city or county or did not make a good-faith effort to comply with the order of the local housing or building code official within sixty days after the filing of the petition, the court shall enter judgment against the respondents granting the city or county title to the property.
5. 6. a. If the court determines that the property has been abandoned or that subsection 4 5 applies, the court shall enter judgment and order awarding title to the city or county. The title awarded to the city or county shall be free and clear of any claims, liens, or encumbrances held by the respondents.
- b. If the court enters judgment and order awarding title to a county, the court shall enforce the county's plan under subsection 2 to transfer title to the property to another entity no more than eighteen months after the court's judgment and order.
6. 7. If a city or county files a petition under subsection 1 2, naming the holder of a tax sale certificate of purchase for the property as a respondent, the city or county shall also file the petition, along with a verified statement declaring that the property identified in the petition contains an abandoned building, with the county treasurer. Upon receiving the petition and verified statement, the county treasurer shall make an entry in the county system canceling the sale of the property and shall refund the purchase money to the tax sale certificate holder.
8. This section does not apply to a house, barn, outbuilding, or structure located on agricultural land outside the limits of a city. For purposes of this subsection, "agricultural land" means land suitable for use in farming. For purposes of this subsection, "farming" means the cultivation of land for the production of agricultural crops, the production of fruit or other horticultural crops, grazing, or the production of livestock.

Approved April 30, 2021