

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Treasurer-Tax Collector

BOARD AGENDA # *B-6

Urgent

Routine

AGENDA DATE August 26, 2014

CEO Concur with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

SUBJECT:

Approval for the Treasurer Tax Collector to Sell Five (5) Tax-Defaulted Properties by Sealed Bid

STAFF RECOMMENDATIONS:

Pursuant to Chapter 7 of Part 6 of Division 1 of the Revenue and Taxation Code, the Treasurer-Tax Collector requests approval from the Board of Supervisors for the sale of the tax-defaulted properties by sealed bid for the stated minimum price as described on the attached report.

FISCAL IMPACT:

The sale may prompt the property owners to pay the amounts due prior to the sale as shown in the attachment. If the property owners do not pay the due amount prior to the date of the tax sale, the delinquent tax amount will be paid when the property is sold to the successful bidders. The ultimate goal is to return these properties to a revenue generating status.

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BOARD ACTION AS FOLLOWS:

No. 2014-446

On motion of Supervisor Withrow, Seconded by Supervisor Monteith

and approved by the following vote.

Ayes: Supervisors: O'Brien, Chiesa, Withrow, Monteith, and Chairman De Martini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST:

Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

File No.

FISCAL IMPACT CONTINUED:

The five parcels eligible for sealed bid sale represent a total minimum bid of \$8,500. In the attached list shown as "List of Properties for Sealed Bid Tax Sale", the minimum bid amounts will be less than the amounts due because two of these parcels were offered for sale last year but were not sold and the other 3 parcels are by virtue of their size and location unusable. The amounts shown in the column "Minimum Bid" are rounded off to the nearest hundredth for practical and convenient purposes. Any amount collected over and above the amount due during the tax sale may be claimed by parties of interest per Revenue and Taxation Code. Since the County will be offering these parcels for sale at a reduced minimum bid price, there may be a potential loss of \$11,436.81. This loss would be absorbed by the County and respective assessing agencies.

DISCUSSION:

According to Revenue & Taxation Code Sec. 3691, secured real property becomes subject to the tax collector's power to sell 5 years from the date declared tax defaulted. The purpose of offering tax-defaulted property at a tax sale is to collect the delinquent taxes, return the property to a revenue-generating status by conveying the property to another owner, and allow owners of contiguous parcels or easement holders the opportunity to augment their property.

A sealed bid sale may be conducted when the tax-defaulted parcel is rendered unusable by virtue of its size, location, or other conditions, to owners of contiguous parcels or to be predominant easement or right-of-way easement holders. A parcel qualifies for sealed bid sale if it cannot be independently developed without being combined with an adjoining property. The tax collector shall require that the successful bidder request the assessor and the planning director to combine the unusable parcel with his/her own parcel as a condition of sale pursuant to Revenue & Taxation Code Sec. §3692(c).

There are currently 5 parcels planned for sale, which may be redeemed by 5:00 p.m. the day prior to the sale (Wednesday, November 5, 2014). If any parcel has not been redeemed, it will be offered for sale by sealed bid on Thursday, November 6, 2014. If any parcel is not sold by sealed bid on November 6, 2014, then the parcel may be reoffered within a 90 day period.

For sealed bid sales, the tax collector is the only officer authorized to determine the criteria he will use in establishing the minimum selling price (§3698.5(c)). Successful bids that are in excess of the original minimum bid amount result in excess proceeds which are subject to claim by certain parties of interest on a priority lien basis as

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Sealed Bid
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specified by law under Revenue and Taxation code sections 4674 and 4675. After a period of one year, any unclaimed excess proceeds are deposited into the County General Fund.

If a parcel is sold for an amount that is less than the total amount necessary to redeem plus costs, any unpaid County General Taxes would be supplanted from the Tax Loss Reserve Fund and other assessments would be absorbed by the respective assessing agencies.

POLICY ISSUES:

This complies with the requirements of Revenue and Taxation Code 3694 wherein the sale of tax-defaulted properties may only take place if approved by the Board of Supervisors.

Approval of this agenda item will support the Board's priority of Efficient Delivery of Public Services.

STAFFING IMPACT:

There is no staffing impact associated with this item.

CONTACT PERSON:

Gordon B. Ford, Treasurer-Tax Collector

Phone: (209) 525-4463

LIST OF PROPERTIES FOR SEALED BID TAX SALE

No.	Assessor's Parcel Number	Last Assessee (Lastname, Firstname)	Description (Situs address)	Default No. & Year of Default	Amount Due (incl. fees)	Minimum Bid
				080003466		
1	024-021-069-000	JC WILLIAMS COMPANY	4001 RIOPEL AVE, DENAIR	2007/2008	\$ 11,738.92	\$ 5,000.00
				090001948		
2	075-033-022-000	MERRILL, PATRICK	TURPIN AVE, RIVERBANK	2008/2009	\$ 985.69	\$ 500.00
				080007605		
3	075-056-031-000	LILIENTHAL ,STEVE A	0 BRIARCLIFF DR, RIVERBANK	2007/2008	\$ 3,139.65	\$ 1,000.00
				090003362		
4	132-035-010-000	SHAW, IKE	BURNEYVILLE RD, RIVERBANK	2008/2009	\$ 3,086.86	\$ 1,500.00
				090003366		
5	132-037-030-000	MERRILL, PATRICK	FERN CT, RIVERBANK	2008/2009	\$ 985.69	\$ 500.00
					<u>\$ 19,936.81</u>	<u>\$ 8,500.00</u>