

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

DEPT: Treasurer Tax Collector

BOARD AGENDA #: *B-4

AGENDA DATE: August 8, 2017

SUBJECT:

Approval to Sell Five (5) Tax-Defaulted Properties by Sealed Bid

BOARD ACTION AS FOLLOWS:

No. 2017-434

On motion of Supervisor Olsen, Seconded by Supervisor DeMartini

and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended


2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST:


ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Treasurer Tax Collector

BOARD AGENDA #: *B-4

Urgent Routine

SLR

AGENDA DATE: August 8, 2017

CEO CONCURRENCE: *pkh*

4/5 Vote Required: Yes No

SUBJECT:

Approval to Sell Five (5) Tax-Defaulted Properties by Sealed Bid

STAFF RECOMMENDATIONS:

1. Approval to sell tax-defaulted properties by sealed bid for the stated minimum price as described on the attached "List of Properties for Sealed Bid Sale", pursuant to Division 1, Part 6, Chapter 7 of the Revenue and Taxation Code.

DISCUSSION:

Secured real property becomes subject to the Treasurer-Tax Collector's power to sell five years from the date declared as 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 existing property.

The pending sale of a tax-defaulted property may prompt the property owner to pay the outstanding amount due to satisfy the debt and prevent the sale. However, if the property owner does not pay the amount due prior to the date of the tax sale, the delinquent tax amount will be paid when the property is sold. The ultimate goal is to resolve the taxes due and ensure that these properties are generating tax revenue once again.

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 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 Treasurer-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 (§3692(c)).

There are currently five parcels planned for sale, which may be redeemed by 5:00 p.m. the day prior to the sale (Tuesday, November 7, 2017). If any parcel has not been redeemed by this deadline, it will be offered for sale by sealed bid on Wednesday, November 8, 2017. If any parcel is not sold by sealed bid on November 8, 2017, then the parcel may be re-offered for sale within a 90-day period.

Approval to Sell Five (5) Tax-Defaulted Properties by Sealed Bid

For sealed bid sales, the Treasurer-Tax Collector is the only officer authorized to determine the criteria used 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 specified by law under Revenue and Taxation Code Sections 4674 and 4675. After a period of one year, any unclaimed excess proceeds are apportioned to the respective taxing agencies. If a parcel is sold for an amount that is less than the total amount necessary to redeem taxes due, any unpaid County general taxes would be supplanted from the County Tax Loss Reserve Fund and other assessments would be absorbed by the respective assessing agencies.

POLICY ISSUE:

This request is being made in accordance with the provisions of Division 1, Part 6, Chapter 7 of Revenue and Taxation Code. The recommended action 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.

FISCAL IMPACT:

Authorization to sell tax-defaulted properties will allow the County to recoup uncollected taxes on delinquent properties. The five parcels eligible for sealed bid sale represent a total minimum bid of \$7,900. In the attached list shown as "List of Properties for Sealed Bid Tax Sale", the minimum bid will be less than the amounts due because two of these parcels were offered for sale last year, but remain unsold. Since the County will be offering these parcels for sale at a reduced minimum bid price, there may be a potential loss of \$2,959.27. This loss would be absorbed by the County and respective assessing agencies. The amounts shown in the column "Minimum Bid" are rounded off to the nearest hundredth for practical and convenient purposes.

BOARD OF SUPERVISORS' PRIORITY:

Approval of this agenda item will enable the recouping of delinquent taxes due to the County and allow properties to once again generate revenue and supports the Board's priority of Efficient Delivery of Public Services.

STAFFING IMPACT:

Existing staff within the Treasurer-Tax Collector's office will execute the administrative tasks associated with the sealed bid tax sale of tax-defaulted properties.

CONTACT PERSON:

Jegan L. Raja, Assistant Treasurer-Tax Collector Phone: (209) 525-6400

ATTACHMENT(S):

1. List of Properties for Sealed Bid Sale

ATTACHMENT 1

LIST OF PROPERTIES FOR SEALED BID SALE

LIST OF PROPERTIES FOR SEALED BID SALE

No.	Assessor's Parcel Number	Last Assessee (Last Name, First Name)	Description (Situs address)	Default No. & Year of Default	Amount Due (incl. fees)	Minimum Bid
1	035-034-006-000	MORA, ANTHONY	0 TENAYA DR, MODESTO	110000684 2011/2012	\$ 2,319.14	\$ 700.00
2	037-040-034-000	WESTFALL, BRUCE W	COLORADO AVE, MODESTO	110000760 2011/2012	\$ 4,505.71	\$ 4,600.00
3	075-093-001-000	TORRES, ANTONIO	CLARIBEL RD, MODESTO	090001981 2009/2010	\$ 1,840.13	\$ 500.00
4	133-005-009-000	RODRIGUEZ, SARA & MIGUEL ANGEL SR	ABBIE ST, EMPIRE	120002465 2012/2013	\$ 1,194.00	\$ 1,200.00
5	056-032-037-000	SHARIFI, MOHAMMAD	PLUMAS AVE, MODESTO	120001332 2012/2013	\$ 883.22	\$ 900.00

\$ 10,742.20 \$ 7,900.00