



# Monterey County

Item No.

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

Legistar File Number: 21-982

November 16, 2021

Introduced: 11/3/2021

Current Status: ATS Review

Version: 2

Matter Type: BoS Resolution

- a. Authorize the Treasurer-Tax Collector to sell 47 specified tax defaulted properties as set forth in Attachment A-Monterey County Auction Listing at public auction via the internet in accordance with Revenue and Taxation Code section 3691 et. seq. or as a sealed bid sale pursuant to Chapter 7, Part 6, Division 1 of the Revenue and Taxation Code for at least the minimum bid.
- b. Authorize the Treasurer-Tax Collector to reoffer any unsold properties at a reduced minimum bid at the conclusion of the sale or within a 90-day period.

### **RECOMMENDATION:**

It is recommended that the Board of Supervisors, by Resolution:

- a. Authorize the Treasurer-Tax Collector to sell 47 specified tax defaulted properties as set forth in Attachment A-Monterey County Auction Listing (Attachment A) at public auction via the internet in accordance with Revenue and Taxation Code section 3691 et. seq. or as a sealed bid sale pursuant to Chapter 7, Part 6, Division 1 of the Revenue and Taxation Code for at least the minimum bid.
- b. Authorize the Treasurer-Tax Collector to reoffer any unsold properties at a reduced minimum bid at the conclusion of the sale or within a 90-day period.

### **SUMMARY:**

In accordance with Section 3694 and 3698 of the California Revenue and Taxation Code, the Tax Collector is required to provide notice to and get approval from the Board of Supervisors to sell specified tax-defaulted properties, as set forth in Attachment A, at public auction or sealed bid sale for not less than the established minimum bid specified on each assessment. The requested action permits the Tax Collector to proceed, comply with State requirements for such sales, and provide the opportunity for the County to recover legitimate delinquent tax revenue.

### **DISCUSSION:**

The collection of delinquent property taxes requires the Tax Collector to offer for sale property upon which taxes remain unpaid. (California Revenue and Taxation Code Section 3692). The Tax Collector, after receiving authorization to sell from the Board of Supervisors, as laid out in Attachment B-Authorization to Sell Tax Defaulted Properties Resolution (Attachment B) must notify the California State Controller, all known lien holders of record, and the current property owner at the last known address, of the date of the impending sale and the minimum amount due to satisfy the property tax obligation.

If not redeemed, by paying all outstanding delinquent taxes, penalties, and costs before 5 p.m. the day before the sale is to begin, the Tax Collector will sell the property to the highest bidder. The monies, which are received from the sale of the properties, are deposited by the Tax Collector with the County

Auditor, and a deed to the property is awarded to the successful purchaser. Excess proceeds, if any, are then distributed to legitimate claimants according to their priority. Any property not sold will be held over for future sale.

Pursuant to Sections 3698.5 and 3692(e) of the California Revenue and Taxation Code, the Tax Collector has determined the minimum price at which each of the properties may be offered for sale. Attachment A identifies each property and reflects the minimum bid necessary to satisfy the individual property delinquent taxes and assessments plus costs, or the minimum bid deemed appropriate given unique circumstances applicable to the subject property. As indicated above, if any individual property does not sell, the Tax Collector may statutorily reoffer that property at a reduced minimum bid at the conclusion of the original sale or within a 90-day period.

The auction of the property listed on Attachment A will be conducted through the use of an internet sales program, that has been successfully utilized in the past, with a reduced cost and higher return to the County. The Tax Collector may also conduct a sealed bid sale if deemed appropriate by the unique attributes of the property, and/or where required by law.

**OTHER AGENCY INVOLVEMENT:**

The Auditor-Controller will provide for the apportionment of funds collected from the public auction or sealed bid sale, after the Tax Collector deposits monies to various receivable accounts. The Office of the County Counsel has reviewed and concurs with the recommendation as to form and legality.

**FINANCING:**

The County General Fund will benefit from this recommendation. The recommended process permits the recovery of overdue and delinquent property taxes that would otherwise not be recoverable. Typically up to fifty percent of the delinquent properties have the taxes paid prior to the sale, which results in general fund revenue to the County and other local jurisdictions who share in the tax collection formula.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

The revenue generated from the Monterey County Treasurer-Tax Collector Public Auction Sale of Tax Defaulted Properties would promote and support the following Board of Supervisors Strategic Initiatives:

X Administration

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Attachments:

Attachment A-Monterey County Auction Listing

Attachment B-Authorization to Sell Tax Defaulted Properties