

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

809 A



FROM: Treasurer/Tax Collector

SUBMITTAL DATE:
March 29, 2005

SUBJECT: Sale of Timeshare Interest at Public Auction Tax Sale, TC-173, scheduled for June 6, 2005 through June 10, 2005 to be auctioned via the Internet.

RECOMMENDED MOTION: That the Board of Supervisors:

1) Approve the intended public auction tax sale, TC-173, 2) Approve and adopt the provisions of the Revenue and Taxation Code Section 3698.5(a), 3698.5(c) and Section 4703(a), 3) Adopt Resolution 2005-90 approving the sale of tax-defaulted property, prepared and approved by County Counsel, and 4) Instruct the Clerk of the Board to immediately forward a certified copy of the Board's Resolution to the Tax Collector following Board approval.

The above action will authorize the minimum bid on properties to be offered for sale, via the Internet, scheduled for June 6, 2005 through June 10, 2005.

BACKGROUND: Properties for which taxes are not paid are sold to collect back taxes. After the property has been tax-defaulted for a period of five or more years from the original tax-default year, it becomes subject to the Tax Collector's "Notice of Power To Sell Tax-Defaulted Property", which is then recorded. If the property is not subsequently redeemed by the payment of all amounts due, it is offered for sale by the Tax Collector. (Continued)

Paul McDonnell, Treasurer/Tax Collector

FORM APPROVED COUNTY COUNSEL
Departmental Concurrence
MAR 27 2005
Harris

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 78,768.66	In Current Year Budget:	YES
	Current F.Y. Net County Cost:	\$ 0.00	Budget Adjustment:	NO
	Annual Net County Cost:	\$ 0.00	For Fiscal Year:	2004-05

SOURCE OF FUNDS: Tax Loss Reserve Fund	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE.

County Executive Office Signature

Policy
 Consent
 Policy
 Consent
 Dep't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.: | **District:** | **Agenda Number:**

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

2.20

BACKGROUND: (Continued)

SUMMARY OF THE JUNE, 2005 INTERNET SALE:

The Tax Collector will offer a total of one hundred seventy-three (173) Timeshare intervals at Desert Breezes located in Palm Desert.

- a) One Hundred Seventy-Three (**173**) timeshare intervals will be offered for a minimum bid of \$500.00 each, which constitutes the cost of sale.

As indicated in Exhibit "A", the aggregate minimum bid for all parcels is \$86,500.00.

Assuming that all of the intervals are sold for the minimum bid, the maximum tax loss would be \$112,526.66. Taking into account the Teeter formula, which shares this loss with other taxing entities, the maximum loss to the Tax Loss Reserve Fund would be \$ 78,768.66. A sufficient balance exists in the Tax Loss Reserve Fund to allow for this loss and still transfer to the General Fund the surplus amount included in this year's budget. Therefore there is no direct budgetary impact. Previous experience with this type of Internet auction has indicated that the likely loss will be substantially less.

2
3 RESOLUTION NO. 2005-90

4 APPROVING SALE OF TAX-DEFAULTED PROPERTY

5 SUBJECT TO THE POWER OF SALE AND SETTING

6 THE MINIMUM BID

7
8 WHEREAS, the Tax Collector of Riverside County intends to sell at public auction, over the
9 Internet, tax-defaulted property subject to the power of sale, on June 6, 2005 through June 10, 2005, and
10 requests that the Board of Supervisors of the County of Riverside, State of California approve the intended
11 sale; and any postponement of the sale that may be necessary; the Tax Sale List TC 173, Sale File 4318 is
12 attached herewith as Exhibit "A" and sets forth the property declared tax-defaulted with the year of the tax-
13 default and the assessment number; the notice of the proposed sale will be sent to the State Controller in
14 accordance with Section 3700.5 of the California Revenue and Taxation Code; and

15 WHEREAS, the Tax Collector in his discretion has determined that the property specified in
16 Exhibit "A" attached hereto and incorporated by reference, should be offered for sale on June 6, 2005
17 through June 10, 2005 at a minimum bid in accordance with California Revenue and Taxation Code
18 Sections 3698.5(c), and

19 WHEREAS, one hundred and seventy-three timeshare intervals, or less, previously offered
20 will be re-offered at a reduced bid at the June 2005 tax sale; and

21 WHEREAS, it is in the best interests of the State of California, the County of Riverside, and
22 cities, school districts, and special districts for whom the Tax Collector collects taxes, to sell said
23 properties; now, therefore,

24 BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Supervisors of the
25 County of Riverside, State of California, in regular session assembled on April 12, 2005, that the proposed
26 internet sale of tax-defaulted property subject to the power of sale and any continuation of the sale is
27 hereby approved and the Tax Collector of the County of Riverside is directed to offer the property
28 described in Exhibit "A" attached hereto and incorporated by reference, at public auction to the highest

1 bidder for cash in lawful money of the United States at the minimum bid set in accordance with California
2 Revenue and Taxation Code Sections 3698.5(c) as specified below:

3 One hundred and seventy three (173), timeshare intervals, or less, to be offered at a
4 minimum bid of \$500.00 each which constitutes the cost of sale.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26 DLH: res/2005-90

27

28