Legislation Details (With Text)

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On agenda:	9/15/2016		**Final action:**	9/15/2016
Title:	RESOLUTION NO. 100630 - AMENDING REAL PROPERTY POLICIES (B)			

Title: This item is a request to establish uniform procedures for handling parcels of land that are conveyed to the City from the County for non-payment of taxes and to apply these policies to four parcels of land that have been conveyed to the City of Gainesville by Alachua County for non-payment of taxes.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 100630_draft resolution_20130418.pdf, 2. 100630_Resolution_20130418.pdf, 3. 100630A_Amend Policies_Exhibit A_20160915.pdf, 4. 100630B_Resolution_20160915.pdf, 5. 100630_Resolution_20160915.pdf, 6. 100630_Corrective Special Warranty Deed_20160915.pdf

Date	Ver.	Action By	Action	Result
9/15/2016	1	City Commission	Adopted (Resolution), as amended	Pass
4/18/2013	0	City Commission	Adopted (Resolution)	Pass

RESOLUTION NO. 100630 - AMENDING REAL PROPERTY POLICIES (B)

This item is a request to establish uniform procedures for handling parcels of land that are conveyed to the City from the County for non-payment of taxes and to apply these policies to four parcels of land that have been conveyed to the City of Gainesville by Alachua County for non-payment of taxes.

The City of Gainesville received four parcels of land from Alachua County; three of them in October of 2014 and one of them in August 2015. The parcels were conveyed to the County by Escheatment Tax Deeds (non-payment of taxes) and subsequently conveyed to the City per Florida Statute 197.592 (1) and (2). One parcel was vacant, three were occupied. One has since been vacated and two remain with occupants. Please see the attached maps.

As a background explanation:
The County must follow a process for parcels for which taxes are not paid:
* Every May, when taxes have not been paid, tax certificates are made available for sale to whomever is the lowest bidder for the interest rate.
* After two years, the owner of the tax certificate may apply for a tax deed. Many purchasers of tax certificates are investors and do not intend to purchase the property, but simply desire to earn the interest accrued when someone either pays the taxes to retain the property or someone else purchases the property for taxes.
* When a property is offered for sale at a tax deed sale, if no one bids on the property, and if the applicant is not willing to take title, the property goes on the list of lands available for three years, all the while accruing interest.
* Per Section 197.592(1), Florida Statutes, if the former owner has not filed a verified application requesting restitution of the property, the Board of County Commissioners determines that the property shall not be returned to the former owner, and if it falls within the boundaries of an incorporated municipality, the County must convey it per Section 197.592(3), Florida Statues, to the governing board of the municipality.

City staff recommends amending the Real Property Policies, which were adopted by resolution on April 18, 2013, to add

the following section that provides a uniform procedure for handling escheated properties:

X. DISPOSITION OF TAX ESCHEATED PROPERTY

In furtherance of the City's goal to place tax escheated property back into beneficial use and on the tax roll, the following provisions will govern the disposition of tax escheated property:

The City's real property office shall maintain a list of entities that may be offered tax escheated properties. Any not-for-profit entity that is engaged in the provision of affordable housing may contact the real property office to be placed on the list.

Upon receiving information that a tax escheated property has been or will be conveyed to the City, if the City has no present use for the property, the City shall notify all entities on the City's tax escheated donation list of the availability of the property. Each interested entity shall communicate its request for the tax escheated property in writing to the City's real property office. The requests will be placed in numerical order based on date and time received. The real property office will then offer a real estate contract (on the terms detailed below) to the entity that submitted the first request. If that entity does not execute the contract within 3 business days, the offer shall be deemed withdrawn by the City and the real estate office shall move on to the entity that submitted the second request, and so on, until a contract is executed, or the list of requestors is exhausted.

Terms for real estate contract:
- Sales price - $0 and other valuable consideration (namely the use and transfer restrictions below)

- Buyer pays all closing costs

- The property is sold "as-is", whether vacant or occupied

Buyer commits to, within the time specified by the City (which may vary depending on the condition of the property), put the property to use for affordable housing. The property may not be sold by the Buyer except to a person who will occupy the property as their homestead. A possibility of reverter clause will be included in the deed from the City to the not-for-profit to ensure compliance with this requirement.

If no contract is executed with an entity on the donation list, the City shall dispose of the property in a competitive manner for its "Just Value" as determined by the Alachua County Property Appraiser.

If property is occupied at the time of its conveyance from the County to the City, the City Manager is authorized to take action to eject the unlawful occupant. Upon request of the City Manager, the City Attorney is authorized to take all necessary legal action to effect the ejection.

There is no fiscal impact associated with this item.

The City Commission adopt the Resolution.