

Memo

To: Village Board

Fr: Tracy Flucke, Administrator

Re: Purchasing of Residential Lot at 2524 Libal Street

Date: August 1, 2013

In 2012 the home at 2524 Libal Street was razed due to the condition of the home. The Village had the project completed and paid for the removal. Total cost of the removal was approximately \$8,000. With other assessments to the property – lawn cutting, water, sanitary etc. the total that was placed on the tax roll was approximately \$10,000.

Please see the attached document in regard to how the county handles foreclosures and explains how the county ends up with the property. As you can see when the county takes over ownership of the parcel all special assessments are removed from the property. Therefore the assessments levied against the property can no longer be received by the village.

The property was recently up for sale and we asked the county to pull it out of the sale so we could check with the entire Village Board to see if you would like to purchase it from the county for approximately \$7,700 (amount of back taxes) and then turn around and try to sell it on our own?

The idea behind purchasing it would be that we could try to sell it for an amount to get the special assessments and the purchase price covered. This may or may not happen. We may not be able to sell it for \$17,700, but may get some of our investment back.

The Village Board is asked if you would like to purchase the residential lot at 2524 Libal Street for the amount of \$7,700?

Tracy Flucke

From: Blaney_KM <Blaney_KM@co.brown.wi.us>
Sent: Wednesday, July 17, 2013 1:05 PM
To: Tracy Flucke
Cc: Steve VandenAvond
Subject: RE: 2524 Libal Street Property Sale

Follow Up Flag: Follow up
Flag Status: Flagged

Tracey!

Here is the response to your questions.

The County annually forecloses on property with three years of delinquent taxes including specials. We initially start foreclosure proceedings on approximately 400 parcels. All owners of the property are notified of the pending property foreclosure. A final deadline date is set to pay the delinquent taxes. A court hearing is established for any unpaid delinquencies. There are usually about 10 properties that taxes are still owed. At the court hearing the Judge will issue a Judgment Order on the properties that the County will take. The Judgment removes all the liens on the property including mortgage liens, taxes, specials, etc.

The ownership of the property is transferred to the Brown County Treasurer. The Treasurer cancels all taxes and specials on the property.

The Treasurer will place a saleable price on the property. The sale price maybe below or above the price of the unpaid taxes or unpaid specials.

The property is offered to the public on a Tax Deed Bid Sale. The sale of the property is awarded to the highest bidder. The sale proceeds are applied according to the following priority.

1. Delinquent Taxes.
2. Int/Penalty on Delinquent taxes.
3. Special Assessment/Charges.
4. Int/Penalty on Special Assessment Charges.
5. Anything left the County retains.

Once the County receives the Judgment on the property, the municipality cannot reapply any outstanding specials that were due on the property prior to the foreclosure. Per Wisconsin State Statutes 75.36(2) the municipality certified to you(the County) the specials on that parcel. Only if the County's title is adjudged to be void, can the taxes and specials be reinstated.

Per State Statutes the County pays all taxing jurisdictions 100% of their levy by August 20th annually. Brown County pays each municipality 100% of their levy even if the taxes are collected or not. The County is left holding all the remaining un paid taxes.

On any tax deed sale, the County would like to at least collect the principal amount of un paid taxes due on the property. In many case the County ends up taking a loss on these properties. The County budgets for these losses annually.

The County is willing to sell the property to the Village for the principal amount of taxes only for \$7,612.60. The Village could sell the property at a higher price and maybe recoup some of their specials costs.

From: Tracy Flucke [<mailto:tracy@villageofallouez.com>]

Sent: Wednesday, July 17, 2013 9:12 AM

To: Blaney_KM

Cc: Steve VandenAvond

Subject: 2524 Libal Street Property Sale

Kerry: Based upon our phone conversation this morning please accept this email in regard to the upcoming sale of the property at 2524 Libal Street.

Do not sell the property on Friday, we would like to discuss possibly purchasing the property with the Village Board due to the large assessment on the property. We may choose to sell it on our own to try to recoup some of our special assessment charges.

Also as discussed please respond to me explaining how the county ends up with the property and what that means to the other taxing authorities and specifically any special assessments on the property. This whole process is new to the Village and we want to make sure we understand it.

Thank you for your help on this, it is appreciated.

Tracy

Tracy Flucke
Village Administrator
1900 Libal Street
Green Bay, WI 54301 – 2453

(920) 448-2800 ext 106
(920) 448-2850 (fax)
tracy@villageofallouez.com



www.villageofallouez.com