



CITY OF CONCORD

New Hampshire's Main Street™

Finance/Collections

REPORT TO MAYOR AND THE CITY COUNCIL

FROM: Dawn K Enwright, City Treasurer/Tax Collector

DATE: July 11, 2022

SUBJECT: Resolution: To direct the Tax Collector to execute a tax deed on properties with unredeemed 2016 tax lien balances in accordance with RSA 80:76 III.

Recommendation

Approve the attached resolution directing the Tax Collector to execute a tax deed on properties with unredeemed balances on the 2016 tax lien,

Background

The real estate of every person or corporation is subject to the tax lien procedure by the collector, when all taxes against the property are not paid in full on or before March 31st. Prior to executing the lien the owner of record must be notified at least 30 days prior to lien execution of the pending lien. A real estate tax lien imposed in accordance with the provisions of RSA 80:58-86 shall have priority over all other liens.

Any person with a legal interest in property subject to a real estate tax lien may redeem the same by paying to the collector, at any time before a deed thereof is given by the collector in the amount of the real estate lien plus interest and costs.

The collector, after two years from the execution of the real estate tax lien, shall execute to the lienholder (the city) a deed of the property subject to the real estate tax lien and not redeemed. Additionally, the collector shall not execute a deed of the real estate to a municipality when the governing body of the municipality has notified the collector that it shall not accept the deed because acceptance would subject the municipality to potential liability risk or undesirable obligations.

When the governing body has served notice upon the collector to not accept the deed, the tax lien shall remain in effect indefinitely, retaining its priority over other liens. The taxpayer's right of redemption provided in RSA80:69 shall be extended indefinitely, with interest continuing to accrue.

In accordance with RSA 80:76 III: If at any time the reasons for refusing the tax deed no longer apply, and the tax lien has not been fully redeemed, the governing body may instruct the collector to issue the tax deed. Over the past several years Council has directed the Collector to not execute a deed on several properties because doing so would subject the municipality to undesirable liability obligation or liability risk as an owner of the property.

Discussion

With the Councils directive, the Tax Collector will have the authority to move forward with deeding of the 2016 tax delinquencies, allowing administration to move forward with the proposed solutions below.

Manufactured Homes Tax Payment/Relief Options:

1) Valueless Manufactured Home (MH Application)

- a. Designed for park owners who have taken ownership of a manufactured home within their park through a Writ of Possession.
- b. Takes into consideration the total assessed value, less the property taxes owned, cost of demolition, and delinquent park rent. If at that point the value is reduced to zero, it is proven to be valueless and the Board of Assessors can approve the application and all delinquent taxes are abated.

2) City Tax Deed – for vacant properties:

City and Park Owners sign an agreement detailing the following prior to deed execution:

- a. All liens are extinguished at time of deeding in accordance with RSA 80 through a Tax Collectors Quitclaim Deed.
- b. City notifies insurance carrier to insure property.
- c. Park does not charge monthly park rent to City during City's ownership.
- d. Prior home owners receive a right to repurchase (RSA 80:89) letter with a 30-day expiration, and an additional 30 days to complete redemption. *
- e. After the 90-day statutory required wait period to sell a tax deeded property, City sells property to MFH park owner for current year assessed value. (Current assessed value is determined when the property is obtained by the Tax Collectors Quitclaim Deed.)
- f. MFH park owner acquires a demolition permit and removes the old home at the park owner's expense.
- g. Once MFH is demolished, City writes off the net balance of the asset (total tax balance at deeding less sale price) as a loss.
- h. City refunds any excess amount to prior owner.

**(If the property is repurchased by the former owner, contract with park is null and void and all prior non-tax liens are reattached. All tax liens, interest, fees, and expenses are paid when repurchased by former owner.)*

These solutions will minimize the liability risk and resolve the 2016 tax delinquencies; all while improving the communities in which these properties reside. This directive would start the tax deeding process on all properties with unredeemed 2016 tax liens below. The Tax Collector shall provide proper notice of such action in accordance to RSA80:77 and 80:77a.

2016 Tax Lien - Unredeemed Properties

Property Address	Owner	Parcel ID
29 Skyline Dr	Ainsworth, Donald & Cheramie	7257
192 Manchester St Lot 3	Ferguson, Janice Estate	8109
42 Skyline Dr	Littlefield, Marion Estate	7265
14 Flamingo Dr	Mcaulay, Patricia H. Estate	7236
107 Fisherville Rd Lot 34	Nevarez, Jose D. Estate	5034
20 Rex Dr	Stiasny, Carol & Steven	7136
43 Fisherville Lot 7	Taylor, Donald K. Estate	4908
69 Manchester Lot 7	Aceto, Jeanie M	8828
13 Rex Dr	Finn, William R	7129
107 Fisherville Lot 17	Matott, Ira B	5017
190 Manchester Lot 28	Paul, Scott Randall	8104
16 Pinewood Tr	Rigsby, Daniel N	8468
43 Fisherville Lot 6	Welcome, Kevin	4906