



MEETING TYPE
STAFF REPORT

Agenda Date: 07-22-2024

**Eric Buckman, City
Manager:**

Department: City Manager

Department Head Name:

Presenter: Eric Buckman

Kim Berry, City Clerk:

This form and any background material must be approved by the City Manager, then delivered to the City Clerk by 4:00 PM the Tuesday prior to the Commission Meeting.

AGENDA ITEM TITLE:

Tax Reverted Lands

BACKGROUND:

The Delta County Treasurer submitted the Delta County Foreclosed land list which has one property located in the City of Gladstone. Parcel # 21-052-617-009-00. 611 29th Street, Delinquent Taxes of \$7,305.53. The City of Gladstone has an opportunity to purchase the property for \$94,600.00 or opt to pass on the option to purchase the property.

FISCAL EFFECT:

\$94,600.00

SUPPORTING DOCUMENTATION:

Letter from Delta County dated July 9, 2024

RECOMMENDATION:

Motion to opt out of purchase of the foreclosed property located at 611 29th Street (Parcel # 21-052-617-009-00).

COUNTY OF DELTA

SHERRY GODFREY, CPA

DELTA COUNTY TREASURER

310 LUDINGTON ST.

ESCANABA, MICHIGAN 49829

PHONE: (906) 789-5152

FAX: (906) 789-5171

WEBSITE:

www.deltacountymi.org

sherrygodfrey@deltacountymi.org

July 9, 2024

TO: Delta County Cities, Townships, and Village
Delta County Board of Commissioners

RE: Tax Reverted Lands

*****This Letter requires City, Township, or Village board action*****

Listed on the back of this letter are the properties which have reverted to the County for non-payment of 2021 property taxes. These properties are to be offered at public auction on August 6, 2024. I am required to offer the parcels first to the State of Michigan, then to the local units of government, and finally to the County.

In 2021, legislation was enacted through Michigan Public Act 255 which changed the way tax foreclosed lands are able to be passed to local units of government. The major changes from that legislation is that the purchase NO LONGER needs to be for public purpose, and the local units of government NO LONGER have to remit profits from the subsequent sale of such lands. If you elect to claim your right of first refusal on a foreclosed property, the purchase price is determined as follows:

- If the State elects not to purchase tax foreclosed property and there are no claims for the surplus proceeds, the city, township, or village may purchase the foreclosed property by paying the minimum bid.
 - The minimum bid is the delinquent taxes due, plus any legal fees or maintenance fees associated with the property prior to auction.
 - Notification of claims for surplus proceeds by the former owners of the parcels are required to be made by July 1, 2024.
- If the State elects not to purchase tax foreclosed property and there ARE one or more claims for surplus proceeds, the city, township, or village may purchase the foreclosed property by paying the minimum bid or fair market value, whichever is greater.
 - I have determined that the fair market value will be double the current State Equalized Value, but I will not defend such in any potential lawsuits from former taxpayers, etc.

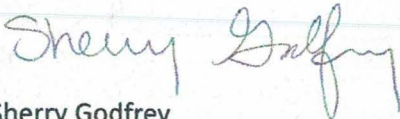
My hope is that all local units of government will pass on their option, and I can offer the parcels to the general public at the August auction. Putting the property back into taxpayer ownership will keep the value on the tax rolls and prevent loss of tax dollars. Also, the County is covering the cost of holding the public auction and the cost of defense from lawsuits relating to the 2021 legislation. By taking the option to purchase the parcels, the local unit of government takes on these costs and any subsequent lawsuits.

Delta County Foreclosed Land List:

Parcel#	Address	Delinquent Taxes	2x SEV	Claim(s) Filed?
001-111-005-10	20 Acres E of Rock	\$ 1,426.06	\$ 23,200	No
003-124-012-00	6111 E Stonington AA.5 Rd	830.11	2,400	Yes
010-104-016-00	US HWY 2 near Foxy's Den	1,072.36	13,600	No
012-183-067-00	8344 25 th Ln	2,264.76	52,000	Yes
014-060-019-00	18 th Rd, near Danforth Rd	633.37	600	No
041-400-005-00	16026 Water Street	5,868.75	37,000	Yes
041-417-007-00	6438 State Street	6,072.39	62,800	Yes
051-010-2930-477-002	1017 2 nd Ave S	6,584.04	75,200	No
051-200-3606-186-005	2511 S 21 st St	7,164.66	145,200	Yes
051-320-2930-402-005	1409 1 st Ave N	8,773.09	78,000	Yes
051-370-2919-178-004	1412 Stevenson Ave	6,137.45	78,400	Yes
051-412-2836-200-005	2720 7 th Pl	5,534.45	104,200	No
051-412-2836-200-011	2705 7 th Ave S	5,360.98	101,400	No
051-420-2836-200-089	2717 7 th Ave S	2,830.23	56,200	Yes
052-617-009-00	611 29 th St	7,305.53	94,600	Yes

Please email me at sgodfrey@deltacountymi.gov or write to Delta County Treasurer, 310 Ludington Street, Escanaba, MI 49829 to express interest in acquisition of a parcel. For any questions, please call me at 906-789-5152.

Thank You,



Sherry Godfrey
Delta County Treasurer



**GLADSTONE AREA
PUBLIC SCHOOLS**
052-617-005-00

**NORTH BLUFF ESTATES
LLC 052-617-006-00**

**CHRISTAL M & BARNHART K
& LARSON D 052-371-010-00**

**PELON MARGARET P
LE 052-617-007-00**

**GEHRCKE MARK
& CAROL
052-371-009-00**

**BECKS TIM S
052-617-008-00**

**ANDERSON EVELYN
052-371-008-00**

Parkway Dr

29th St

Mapleview Dr

**BUCKLAND
BENJAMIN
052-371-046-00**

**DELTA COUNTY
TREASURER
052-617-009-00**

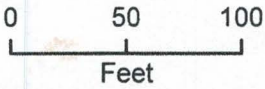
**LACHAPELLE DENNIS
R & KATHERINE
S 052-371-045-00**

State Highway M35

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State Highway M35
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Bureau, USDA, USFWS, NRCAN, Parks Canada

State Highway

City of Gladstone | Tax Reverted Land
Address | 611 29th St
Parcel ID | 052-017-009-00



Map Date | 7/15/24
Drawn By | R. Hansen



Colligō GIS

Iron Mountain Office: 631 Circle Drive, Iron Mountain, MI 49801, (906) 771-9440
Ironwood Office: 200 East Ave Street, Ironwood, MI 49838, (906) 935-9148
Green Bay Office: 790 Marquette Lane, Unit 3, Green Bay, WI 54304, (920) 251-9301
Colligogis.com