

FINANCIAL STAFF MEMO

TO: Honorable Mayor and City Council Members

DocuSigned by: Steven krokoff

FROM: Steven Krokoff, City Manager

Submitted on December 30, 2024, for the January 6, 2025, Regular City DATE:

Council Meeting

AGENDA ITEM: Consideration and approval of Final Order Granting Interpleader Relief and

Directing Disbursement of Tax Sale Excess Funds on behalf of the City of Milton in Civil Action No. 24CV012735 for property located at 400 North Fields Pass in the amount of \$2,211.03. The Petitioner is Patrick Labat, Fulton County Sheriff, versus Peach Perfection Solutions, LLC, North Fields Homeowners Association, Inc., City of Milton, and the Fulton County Tax Commissioner.

BACKGROUND

This is a Petition for Interpleader Relief filed by the Fulton County Sheriff, Patrick Labat, against the property owner and all parties involved with back due taxes on liens. This action concerns tax sale excess funds totaling \$8,491.34. The Fulton County Tax Commissioner's claim is for Fulton County ad valorem taxes owed for tax years 2022-2024 in the amount of \$3,440.59. The City of Milton's claim is for City of Milton ad valorem taxes for tax years 2015-2024 in the amount of \$5,846.52. Petitioner has requested attorney's fees and costs totaling \$2,839.72 pursuant to O.C.G.A. § 48-4-5(b).

FINANCIAL IMPACT

The tax sale for the property occurred in 2017. As there are not enough funds in registry for all parties, an equitable division would result in the sum of \$2,211.03 being paid to City of Milton.

REVIEW & APPROVALS

Financial Review: Karen Ellis, Finance Director – January 2, 2025

Ken Jarrard & Davis, LLP – January 2, 2025 **Legal Review:**

Concurrent Review: Bernadette Harvill, Deputy City Manager –

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Bernadette Harvill

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ATTACHMENTS

Proposed Order

IN THE SUPERIOR COURT OF FULTON COUNTY STATE OF GEORGIA

PATRICK LABAT, solely in his capacity as Sheriff of Fulton County,

PETITIONER,

CIVIL ACTION FILE NO. <u>24CV012735</u>

v.

400 North Fields Pass

PEACH PERFECT SOLUTIONS, LLC; NORTH FIELDS HOMEOWNERS ASSOCIATION, INC.; CITY OF MILTON and ARTHUR E. FERDINAND, in his capacity as Fulton County Tax Commissioner,

RESPONDENTS.

FINAL ORDER GRANTING INTERPLEADER RELIEF AND DIRECTING DISBURSEMENT OF TAX SALE EXCESS FUNDS

This matter is before the Court on Petitioner's Motion for Interpleader Relief and Entry of Final Order. After considering the Motion and based on consideration of the entire record, including the signatures of consent below, the Court finds as follows.

All parties have been served. After being served, claims to the Excess Funds were filed by the City of Milton, Fulton County Tax Commissioner and Peach Perfect Solutions, LLC ("Peach Perfect"). The Fulton County Tax Commissioner's claim is for Fulton County ad valorem taxes owed for tax years 2022-2024 in the amount of \$3,440.59. The City of Milton's claim is for City of Milton ad valorem taxes for tax years 2015-2024 in the amount of \$5,846.52. Peach Perfect claims as owner. Petitioner has requested attorney's fees and costs totaling \$2,839.72 pursuant to O.C.G.A. § 48-4-5(b). The parties have agreed to resolve their respective claims

Peach Perfect acknowledges that the claims of the Fulton County and City of Milton (as to tax years 2017 forward) have priority over its claim. The Fulton County Tax Commissioner, City of Milton and Peach Perfect also consent to the amount of attorney's fees and costs claimed by Petitioner.

The Court finds that the Petitioner is entitled to the requested relief pursuant to O.C.G.A. §48-4-5. The Petitioner was previously ORDERED to pay the tax sale excess funds at issue and totaling \$8,491.34 (the "Excess Funds") into the Registry of the Court. Upon the Petitioner's tender of the Excess Funds into the Registry of the Court, the Petitioner shall be fully discharged from any and all liability pertaining to the Excess Funds.

In addition, the Court finds that the Clerk shall disburse the Excess Funds as follows:

- 1) The sum of \$2,839.72 shall be paid to Petitioner's Counsel, W. Shannon Sams, by delivering a check to W. Shannon Sams Law, PC, 4355 Cobb Pkwy, Ste. J-505, Atlanta, GA 30339;
- 2) The sum of \$2,211.03 shall be paid to City of Milton c/o by delivering a check to counsel, Priya Patel, at 222 Webb Street Cumming Georgia 30040;
- 3) The sum of \$3,440.59 shall be paid to the Fulton County Tax Commissioner c/o Victoria Kealy at 141 Pryor Street, SW, Suite 4038 Atlanta Georgia 30303; and
- 4) The Clerk is directed to mark this matter *CLOSED*.

SO ORDERED, this ____ day of ______, 2024.

Judge Thomas A. Cox, Jr

Superior Court of Fulton County

Consented to by:

/s/ John Coleman

John Coleman Georgia Bar No. 568475 Coleman Law, LLC 675 Seminole Ave, NE, Suite 302 Atlanta, GA 30307 404-974-4537 john@colemanlawga.com Attorney for Peach Perfect Solutions, LLC

/s/ Priya M. Patel

Priya M. Patel Georgia Bar No. 869743 Jarrard & Davis, LLP 222 Webb Street Cumming, GA 30040 678-455-7150 ppatel@jarrard-davis.com Attorney for City of Milton

/s/ Victoria Kealy

Victoria Kealy
Georgia Bar No. 314371
Office of the Fulton County Attorney
141 Pryor Street, SW, Suite 4038
Atlanta, GA 30303
404-612-0246
Victoria.Kealy@fultoncountyga.gov
Attorney for Arthur E. Ferdinand, in his capacity as Fulton County Tax Commissioner

Without Objection From:

/s/ W. Shannon Sams

W. Shannon Sams Georgia Bar No. 101051 W. Shannon Sams Law, PC 4355 Cobb Pkwy, Ste. J-505 Atlanta, GA 30339 404-604-3021 wssams@wshannonsams.com Attorney for Petitioner

CERTIFICATE OF SERVICE

I hereby certify that I have this day electronically filed the foregoing MOTION FOR INTERPLEADER RELIEF AND ENTRY OF FINAL ORDER using the court's e-File system, which automatically sends email notification of such filing to all attorneys and parties of record.

This _____ day of December, 2024.

/s/ W. Shannon Sams

W. Shannon Sams Georgia Bar No. 101051 W. Shannon Sams Law, PC 4355 Cobb Pkwy, Ste. J-505 Atlanta, GA 30339 404-604-3021 wssams@wshannonsams.com Attorney for Petitioner