



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 8/12/2025

To: Sonoma County Board of Supervisors

Department or Agency Name(s): Auditor-Controller-Treasurer-Tax Collector

Staff Name and Phone Number: Erick Roeser 565-3285/Brooke Koop 565-1294

Vote Requirement: Majority

Supervisorial District(s): All

Title:

2025 Defaulted Property Tax Sale

Recommended Action:

Adopt a Resolution authorizing the Auditor-Controller-Treasurer-Tax Collector to conduct the sale of tax defaulted property at a public auction on or after November 07, 2025.

Executive Summary:

State law mandates that properties on which secured property taxes remain unpaid on July 1st of each year shall be classified as tax defaulted. Properties that are tax defaulted for five or more years become subject to the county tax collector's power to sell in order to satisfy the defaulted taxes. The county tax collector must attempt to sell these properties within four years after becoming subject to the power to sell. The Auditor-Controller-Treasurer-Tax Collector (ACTTC) is requesting authorization to sell tax defaulted properties that are delinquent five years or more on their secured property taxes. There are currently 70 properties that meet this criterion, including 40 improved properties and 30 unimproved properties.

Discussion:

The primary purpose of a tax sale is to return tax defaulted property to the county tax rolls, either through redemption or by sale to a responsible owner. In accordance with state law found in Revenue and Taxation Code §§ 3691 -3694 and § 3706, the ACTTC shall have the power to sell at public auction the properties that are delinquent five years or more on their secured property taxes and shall attempt to sell tax defaulted properties within four years of becoming subject to the power to sell.

Owners of tax defaulted property may avoid the sale of their property by paying the full amount due and thereby redeeming the property. All redemption payments must be physically received in the office of the ACTTC before the close of business on the last business day before the date of commencement of the sale, per Revenue and Taxation Code § 3707). Upon receipt of a timely redemption, the property will be withdrawn from the sale. Efforts will be made to inform property owners of delinquent property taxes and the potential auction of the property at tax sale, including numerous written and certified notifications to the assessee, publications in the local Press Democrat newspaper, and, in accordance with Revenue and Taxation Code § 3704.7(a), an in-person visit is made to the property to speak with the owner/occupant of the property.

At this personal visit, the owner/occupant is given information regarding their right to redeem the property up until the close of business of the last business day prior to the sale and their right to claim excess proceeds, if

any, if the property is sold. If no person is located at the property, the notice is posted at the property and photographic evidence of delivery is obtained. Approval of the sale must be provided by the Board of Supervisors under Revenue and Taxation Code § 3694. Attachment “A” of attached Resolution to this item provides a description of each property to be sold and the minimum price at which each property is proposed to be sold, as required by Revenue and Taxation Code § 3698. The minimum bid is calculated to ensure the collection of all amounts legally owed to the County, and includes the amount of defaulted taxes, penalties and interest and costs of the sale.

The Board’s approval will commence the process of public notification and establish the redemption dates for the current or last assessee of a property. Prior to the proposed sale, notice will be given to all parties of interest and a sale list will be published in accordance with Revenue and Taxation code §3702. The public auction of tax defaulted properties will be held online on or after November 07, 2025.

When a property is successfully sold at a tax defaulted sale, the proceeds are used to cover unpaid taxes, penalties, interest, and administrative costs of the sale. Any excess proceeds are held in trust where the former owner or other parties of interest have one year to file a claim. If no one claims the excess proceeds within a year, the funds are transferred to the County’s Tax Loss Reserve Fund, commonly referred to as the “Teeter Fund”, which is used to ensure a reliable revenue stream for all government entities that receive property tax.

Properties that do not sell at this public auction will be re-listed in the future.

Strategic Plan:

N/A

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

08-22-23: Board approved Resolution authorizing sale of Tax Defaulted Property

12-14-21: Board approved Resolution authorizing sale of Tax Defaulted Property

08-14-18: Board approved Resolution authorizing sale of Tax Defaulted Property

08-16-16: Board approved Resolution authorizing sale of Tax Defaulted Property

07-29-14: Board approved Resolution authorizing sale of Tax Defaulted Property

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses	\$30,000		
Additional Appropriation Requested			
Total Expenditures	\$30,000		
Funding Sources			
General Fund/WA GF			

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State/Federal			
Fees/Other	\$30,000		
Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$30,000		

Narrative Explanation of Fiscal Impacts:

Appropriations for services to administer the auction are included in the FY25-26 Adopted Tax Collection unit budget. Costs to perform the sale are recovered as fees when properties are sold.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Resolution Authorizing the Sale of Tax Defaulted Property at Public Auction

Related Items "On File" with the Clerk of the Board:

N/A