

AGENDA REPORT

TO: Mayor & City Commissioners
FROM: Jeremy Howard, City Manager
DATE: June 1, 2023
RE: Waiver of First Right of Refusal - Property Tax Foreclosures

For the Agenda of June 5, 2023

Background. The City has received Notice of Judgment of Foreclosure (*see att'd*) on two parcels located within the City of Clare. The City Commission is asked to determine whether it wishes to waive its right of first refusal for the property. The City Staff recommends the City Commission exercise that right, thereby allowing the County to dispose of the property through foreclosure proceedings. This will also allow the property to remain on the tax roll rather than the city taking ownership and therefore not being able to collect future taxes on the parcels.

Issues & Questions Specified. Should the City Commission approve waiving the First Right of Refusal?

Alternatives.

1. Approve waiving the First Right of Refusal.
2. Do not approve waiving the First Right of Refusal.
3. Set aside decision regarding this matter to a later date.

Financial Impact. There is no impact to the City if we waive our right of refusal, but there is the potential to continue to collect tax revenue on the parcels.

Recommendation. I recommend that the City Commission approve waiving the First Right of Refusal by adoption of Resolution 2023-038 (*copy att'd*).

Attachments.

1. Notice of Judgments.
2. Resolution 2023-038.

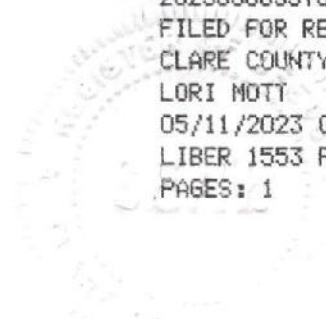


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LIBER 1553 PAGE 239
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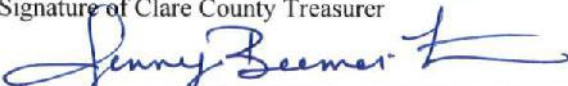
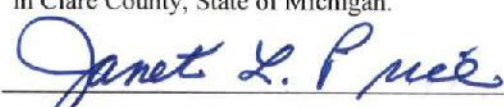


Notice of Judgment of Foreclosure

Michigan Department of Treasury
3731 (3-04)

Required by section 78k(8) of The General Property Tax Act, 1893 PA 206, as amended, MCL 211.78k(8).

On 02/09/2023 in Civil Action No. 22-900221-CZ in the Circuit Court for the 55th Circuit Court, Clare County, entered a Judgment of Foreclosure in the Matter of the Petition of the County Treasurer against the property described below vesting absolute title to the real property described below in the County Treasurer of the County of Clare, as provided by Section 78k of The General Property Tax Act, 1893 PA 206, as amended, MCL 211.78k, if not redeemed by March 31, 2023. Under the General Property Tax Act, the Judgment of Foreclosure became final and unappealable on March 31, 2023.

Parcel No. 051-180-028-00	Property Forfeited to County Treasurer on March 1, <u>2022</u> . Certificate of Forfeiture recorded at: Liber <u>1518</u> , Page <u>596</u> 202200003078
Property Address (if available): MI	
County: <u>CLARE</u> Local Unit Name: <u>CITY OF CLARE</u> Local Unit Code: <u>051</u> Legal Description of the Property: <u>T17N R4W SEC 35 LOT 28 DUNLOP ESTATES IN SE 1/4 OF SE 1/4.</u>	
Date MAY 10, 2023	Signature of Clare County Treasurer 
Subscribed to and sworn before me on <u>05/10/2023</u> in Clare County, State of Michigan.  Notary Public: Janet L. Price My commission in Clare County Expires On: <u>11-5-2025</u> .	Drafted by and when recorded, return to: County Treasurer for the County of <u>CLARE</u> Address: JENNY BEEMER-FRITZINGER 225 W MAIN STREET P O BOX 564 HARRISON, MI 48625



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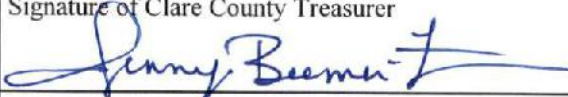
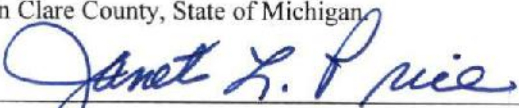
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Parcel No. 051-624-003-00	Property Forfeited to County Treasurer on March 1, <u>2022</u> . Certificate of Forfeiture recorded at: Liber <u>1518</u> , Page <u>603</u> 202200003085
Property Address (if available): 904 HEMLOCK ST CLARE MI 48617	
County: <u>CLARE</u> Local Unit Name: <u>CITY OF CLARE</u> Local Unit Code: <u>051</u>	
Legal Description of the Property: T17N R4W SEC 35 904 HEMLOCK ST W 3/4 LOT 3 BLK 6 MCEWANS 1ST ADD.	
Date MAY 10, 2023	Signature of Clare County Treasurer 
Subscribed to and sworn before me on <u>05/10/2023</u> in Clare County, State of Michigan.  Notary Public: Janet L. Price My commission in Clare County Expires On: <u>11-5-2025</u> .	Drafted by and when recorded, return to: County Treasurer for the County of <u>CLARE</u> Address: JENNY BEEMER-FRITZINGER 225 W MAIN STREET P O BOX 564 HARRISON, MI 48625

RESOLUTION 2023-038

A RESOLUTION OF THE CLARE CITY COMMISSION WAIVING ITS FIRST RIGHT OF REFUSAL OF PROPERTY TAX FORECLOSURE PROPERTIES WITHIN THE JURISDICTIONAL BOUNDARIES OF THE CITY OF CLARE.

WHEREAS, the City has received annual correspondence from the Clare County Treasurer notifying the City of property parcels within Clare County that will be processed for tax foreclosure and offering the City of Clare an opportunity to waive its first right of refusal to purchase the property; and

WHEREAS, said property listing from the Clare County Treasurer includes two parcels within the jurisdictional boundaries of the City of Clare; and

WHEREAS, the City has reviewed and considered its options regarding said properties and has determined that the City has no practical, cost-effective public use for said property.

NOW THEREFORE BE IT RESOLVED THAT the Mayor and City Commission of the City of Clare, hereby approves waiving the First Right of Refusal to purchase and reuse for public use Parcel ID #051-180-028-00 and Parcel ID #051-624-003-00.

BE IT FURTHER RESOLVED THAT the Mayor and City Commission of the City of Clare hereby designates and authorizes its City Treasurer, Shannon Sirpilla, to execute any and all documents required to waive the City's First Right of Refusal.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INsofar AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

This Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 5th day of June, 2023.

Diane Lyon, City Clerk