

REQUEST FOR BOARD ACTION / CONTRACT CONTROL FORM

Tracking Number: 23

Date of Request: June 25, 2007

Board Meeting Date Requested: July 9, 2007

Short Title: Resolution Authorizing Commencement Of The Upset Bid Procedures For Pin # 3292-12-3340-0000.

to commence the upset bid process with respect to this parcel

Requested by: Melinda Knoerzer
Department: Pender Utilities
Title: Administrative Assistant
Contact Phone: 910.259.1521
Contact Fax: 910.259.1579

Background: In 2001, through a tax foreclosure, the County became the owners of the above referenced parcel which is a 0.14 acre strip of land previously owned in common by the other owners of Hampstead Village. The Village was unaware of this legal action and believed it was still the titled owner until a recent title search revealed that the County is the owner. They have offered, through a letter from Mr. Jim Carle (attached) to pay the County \$600 (which they estimate is the amount of back taxes owed) plus the interest the County would have made. Their intention is to package this with an adjacent parcel, containing their pump house to the well they currently utilize - to sell that combined lot and use the proceeds to install water lines to hook to the Rocky Point/Topsail Water and Sewer District.

The Tax Assessor has determined that because of the size and location of this strip of land, it would not be a build-able lot unless the Board of Adjustments approved a "zero setback". He advised that if the County could sell it for back taxes and interest, this would be beneficial to the County.

The Tax Collector advises that the total amount of back taxes paid at the foreclosure was \$536.35 and the fees were \$856.06 for a total of \$1,392.41 - this includes all fees prior to and including the foreclosure which regarded the tax years of 1996, 97,98, and 99. The taxes for the years 2000 - 2007 would be as follows: \$_____. Interest owed for this term would be \$_____ for a total of \$_____. Staff recommends, therefore that the minimum bid be set at \$_____.

If the Board determines the minimum bid and approves the commencement of the upset bid procedures, the Hampstead Village Owners Association will be asked to execute the attached offer and return it to the County with a deposit of 5% of the offered price and \$100 for advertising costs. The ad will be run and a ten (10) day upset bid process will commence. If, at the end of the ten (10) days no other offers have been received, the Board of Commissioners will have a resolution on the next agenda asking for authorization to sell the parcel at the offered amount.

Specific Action Requested: The Board is requested to set a minimum amount of the acceptable bid on the parcel in question and to authorize the County Manager

*Tax Values + Interest
Calculations will be
provided on Monday,
July 9th.
Thank-you!*

REQUEST FOR BOARD ACTION / CONTRACT CONTROL FORM

Date Request Received: June 11, 2007

Board Meeting Date Assigned: July 9, 2007

Request Status:

- Request is proceeding to Board of Commissioners
- More information is needed -- see attached
- Request on hold -- no further information needed
- Other:

(Administrative Use Only)

CONTRACT TYPE

- Renewal
- For Service(s)
- Intergovernmental -- County as Grantee
 - Federal Grantor
 - State Grantor
 - Grantor
- County as Grantor
 - County Funds
 - Other Funds:
- Revision
- For Equipment

PURCHASING Budgeted Item: Yes No
Date Rec'd: Reviewed and Approved
 Comments on Reverse

Date Sent: Signed:

ATTORNEY Reviewed and Approved
Date Rec'd: Legal Problem(s)
 Comments on Reverse

Date Sent: Signed:

FINANCE Sufficient Funds Available
Date Rec'd Not Available
 Budget Amendment Necessary
 Budgeted Amendment is Attached
 Comments on Reverse

Date Sent: Signed:

CLERK Signature(s) Required:
 Board Chairman/County Manager
 Other:

Date Rec'd Approved by Board: Yes No
At meeting on

**HAMPSTEAD VILLAGE MERCHANTS
P.O. BOX 964
HAMPSTEAD, NC 28443
910-270-9975**

June 11, 2007

Ms. Lori Britt
Pender County Manger
P.O. Box 5
Burgaw, N.C. 28425

Dear Ms Britt:

My name is Jim Carl and I own the undeveloped lots in the Hampstead Village Shopping Center located on Hwy 17 in Hampstead. I also serve as the Chairman of the Board of Govenors of that Village.

It is in this capacity that I write to you requesting to purchase a narrow strip of land behind the Carolina First Bank in Hampstead, PIN # 3292-19-3340-0000, deed book 1657/063. We have come to realize that there was much confusion about the ownership of this land. Most of the lot owners in the village felt that this narrow strip of land was just part of the common ground of the village and would one day be used as an additional entrance to the village off Forest Sound Road.

Our Association has recently worked out an agreement with Pender County to bring county water to the village. Our original plan was to have the county bring individual lines into the village to serve each of our 23 lots. However, upon advice from the county we learned that it would be better for the county to provide water to the village from one tap on the Forest Sound Road side of the Village and the Village would then build its own distribution system inside the village.

In order to afford this costly project the village decided to sell our current well site (since we won't need it anymore) and to sell the above-mentioned narrow strip of property which abuts the well site on Forest Sound Road. The proceeds from this sale would give the village the funds we need to build the distribution system inside the village so that we can buy water from the county.

It was when we attempted to sell that strip we found that it is owned by the county and was taken by foreclosure due to nonpayment of tax. The Association never before had received a tax bill from the county for that strip and never expected one since it was assumed to be treated like common property belonging to any Association. It has always been the Association's understanding that the value of our common property is applied to the value of each individual lot owner in the Association and so the tax burden for any common property (such as our gazebo) is paid for on the individual tax bills.

It appears that the problem with this strip of land began, when for some reason, it was conveyed to me by error during the conveyance of some other property in the village.

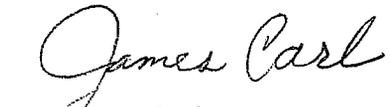
I'd like to thank your able staff of Melinda Knoerzer, your tax office staff, and your county attorney who have helped to unravel the mystery of ownership of the land.

Since there was so much confusion over this strip of land, and since the Village cannot afford to tie into the county water system under the county's current proposal without selling the land I ask that you consider the following proposal. And in considering the flowing proposal I ask that you consider in your deliberation that when the Village first signed up to tie into the water system years ago we had been told that the county would bring gang meters into each of the three Hwy 17 entrances and we would just have to run individual lines to each business.

The Hampstead Village Shopping Center would pay Pender County \$600.00 which is the approximate amount of tax due on that property for the six years that the tax was not paid. We took the tax amount due in 2001 (\$95.61 and rounded it up to \$100 for each of the six years including 2001 that the tax was exempt). In addition, we would pay interest on the amount the county would have earned during that time in exchange for the deed to that property. The village will then sell the land and it will end up on the tax books as valuable property that can be taxed at its full value.

I anxiously await your reply since we have an offer to purchase on the well site, if it includes this strip of land, and we can then move forward with the installation of our distribution system inside the village.

Sincerely,


James Carl
8319 Vintage Club Circle
Wilmington, NC 28411

cc: Pender County Commissioners (5 copies enclosed)
Pender County Attorney (enclosed)

BID FOR PENDER COUNTY REAL PROPERTY

Date: _____

I, _____ would like to make an upset bid on the following property:

Township: _____

PIN : _____

Deed Book/Page: _____

I would like to offer \$ _____ for the Property. I understand that the Tax Assessor will review my offer for consistency with current tax values and that the County Board of Commissioners must initially approve the commencement of the "Upset Bid" procedures, pursuant to N.C.G.S. 160A-269 and 153A-176.

I understand the upset bid procedures require the County to advertise the amount of my bid in the newspaper of legal record (names of bidders are not advertised) and to invite other interested parties to bid. I understand there is no guarantee that I will be the successful bidder. I understand that all final bids may be accepted or rejected by the Pender County Board of Commissioners.

I am enclosing two separate checks:

1. \$100 to cover the legal advertising for this offer (subsequent counter offers will require additional advertising at a per time cost of \$100). I understand this money will not be returned if regardless of the outcome of this bid.

2. The other is an earnest money deposit which is five percent (5%) of the offered price, the enclosed amount is \$ _____. I understand that if I am not the successful bidder, this amount will be returned to me.

Signature

Received by: _____

Signature

Date