

SUMMARY: An ordinance amending Washoe County Code Chapter 20 related to property tax auctions.

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE AMENDING WASHOE COUNTY CODE CHAPTER 20 (REVENUE AND TAXATION) BY AMENDING VARIOUS SECTIONS TO: CHANGE BIDDING INCREMENTS FROM \$300 TO \$500 FOR BASE BIDS IN EXCESS OF \$5,001 FOR SALES OF TAX DELINQUENT PROPERTIES; REQUIRE THE COMPLETED WINNING BIDDER FORM BE SUBMITTED ALONG WITH PAYMENT; CHANGE THE CONTRIBUTION TO THE COUNTY GENERAL FUND FROM TEN PERCENT OF THE NEXT \$2,000 OF THE EXCESS PROCEEDS TO TEN PERCENT OF THE NEXT \$10,000; CHANGE THE TIME PERIOD IN WHICH A CLAIMANT MAY MAKE A CLAIM FOR EXCESS PROCEEDS FROM TWO YEARS TO ONE YEAR; UPDATE A STATUTORY CITATION; AND AMEND SECTIONS TO GENDER-NEUTRAL LANGUAGE; AND ALL MATTERS NECESSARILY CONNECTED THEREWITH AND PERTAINING THERETO.

WHEREAS:

- A. This Commission desires to amend Washoe County Code Chapter 20 (Revenue and Taxation) to update provisions related to property tax auctions.
- B. The Washoe County Board of County Commissioners initiated the proposed amendments to Washoe County Code Chapter 20 on October 14, 2020.
- C. The amendments and this Ordinance were drafted in concert with the District Attorney's Office; and
- D. Following a first reading and publication as required by NRS 244.100(1), and after a duly noticed public hearing, this Commission desires to adopt this Ordinance; and
- E. This Commission has determined that this ordinance is being adopted pursuant to requirements set forth in Chapter 278 of NRS, therefore it is not a "rule" as defined in NRS 237.060 requiring a business impact statement.

THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF WASHOE DO
ORDAIN:

Section 1. Section 20.473 of the Washoe County Code is hereby amended, and shall read as follows:

20.473 - Bids: Amounts; procedure.

1. Except as provided in subsection 2, no final sale price, less than an amount equal to the sum of the delinquent taxes, costs of sale, penalties and interest, or an amount equal to the assessed value of the tax-delinquent property subject to sale, whichever is greater, shall be accepted by the county treasurer.

2. If the county treasurer finds that a property subject to sale is burdened by a legal or physical restraint upon its development which may inhibit bidders from bidding on the property, he may accept a bid of no less than an amount equal to the sum of the delinquent taxes, costs of sale, penalties and interest.

3. All sales shall be made subject to existing rights-of-way and easements of Washoe County, the City of Reno, the City of Sparks or the State of Nevada.

4. If the required base bid is \$1,000 or less, bidding increments shall be \$50. If the required base bid is between \$1,001 and \$5,000, the bidding increments shall be \$100. If the required base bid is in excess of \$5,001, the bidding increments shall be \$500.

5. If, during the bidding, one bidder offers another bidder a consideration to cease bidding, the bid and any subsequent bids of the bidder offering the consideration shall be disregarded by the county treasurer and may not be accepted.

6. If a bidder after submitting the winning bid fails to perform, the county treasurer may restrict or condition any future bidding by that bidder.

7. The county treasurer may require pre-bid deposits of not less than ten percent of the base bid.

Section 2. Section 20.475 of the Washoe County Code is hereby amended, and shall read as follows:

20.475 Purchase price: Cash, cashier's check, certified check, or electronic transfer of money.

1. The county treasurer shall not deliver a deed as provided in subsection 4 of NRS 361.595 to the successful bidder unless he has received the purchase price in cash, by cashier's check, by certified check, or electronic transfer of money.

2. Except as provided in (a) below for Internet sales, the successful bidder shall deposit with the county treasurer in the

form of cash, cashier's check, certified check, or electronic transfer of money the sum of \$500 (or purchase price if purchase price is less than \$500) immediately following the conclusion of the sale, and before 5:00 p.m. of the next working day deliver to the county treasurer cash, a cashier's check, certified check, or through the electronic transfer of money the amount of his bid, less the deposit. If the successful bidder fails to deliver to the county treasurer the cash, certified check, cashier's check or electronic transfer of money within the specified time, his deposit is forfeited to Washoe County, and shall be deposited to the credit of the county's general fund.

(a) For bidders participating in a sale via the Internet, the successful bidder shall remit to the county treasurer payment in full less the amount of any pre-bid deposit in the form of cash, cashier's check, certified check or electronic transfer of money, no later than 5:00 p.m. on the third business day following the conclusion of the sale.

(b) For personal property sales pursuant to NRS 361.535, the county treasurer may require a deposit up to \$100 in the form of cash, cashier's check, certified check or electronic transfer of money immediately following the conclusion of the sale, and before 12:00 p.m. of the next working day deliver to the county treasurer cash, a cashier's check, certified check or electronic transfer of money in the amount of his bid, less the deposit. For bidders participating in a sale via the Internet, the provisions of subsection 2(a) above apply. If the successful bidder fails to deliver to the county treasurer the cash, certified or cashier's check within the specified time, his deposit is forfeited to Washoe County, and shall be deposited to the credit of the county's general fund.

3. For any auction, if the successful bidder does not deliver the purchase price within the time set forth in subsection 2, the county treasurer shall advise the second highest bidder, within 24 hours of the default, that they may tender the amount offered by the successful bidder and the completed winning bidder form document by 5:00 p.m. of the third business day following the notification to the second bidder and be entitled to receive a deed to the property. If the second highest bidder does not tender the purchase price within the required time, there shall be declared no sale.

4. The county treasurer shall not accept personal checks from any successful bidder.

Section 3. Section 20.479 of the Washoe County Code is hereby amended, and shall read as follows:

20.479 Disposition of sale proceeds.

1. After paying all the tax and costs upon any one parcel of property, the county treasurer shall pay into the county general fund from the excess proceeds of the sale:

(a) The first \$300 of the excess proceeds; and

(b) Ten percent of the next \$10,000 of the excess proceeds.

2. The amount remaining after the county treasurer has paid the amount required by subsection 1 must be deposited in an interest-bearing account maintained for the purpose of holding excess proceeds separate from other money of the county. If no claim is made for the money within one year after the deed given by the county treasurer is recorded, the county treasurer shall pay the money into the county general fund, and it must not thereafter be refunded to the former property owner or his successors in interest. All interest paid on money deposited in the account required by this subsection is the property of the county.

3. If a person who would have been entitled to receive reconveyance of the property pursuant to NRS 361.610(6) makes a claim in writing for the balance within one year after the deed is recorded, the county treasurer shall pay it or their proper portion upon approval of the district attorney that the person is entitled to it.

[Business Impact Note: The Board of County Commissioners hereby finds that this ordinance does not impose a direct and significant economic burden upon a business, nor does it directly restrict the formation, operation or expansion of a business.]

Proposed on the ____ day of _____, 2024.

Proposed by Commissioner _____.

Passed on the ____ day of _____, 2024.

Vote:

Ayes:

Nays:

Absent:

Chair
Washoe County Commission

ATTEST:

County Clerk

This ordinance shall be in force and effect from and
after _____, 2024.