FORFEITED LAND COMMISSION MINUTES FAIRFIELD COUNTY COURTHOUSE JURRY ROOM, THIRD FLOOR, 101 SOUTH CONGRESS STREET WINNSBORO, SOUTH CAROLINA

WEDNESDAY, JANUARY 29, 2020 10:00 A.M.

Present: Norma Branham, Treasurer; Judy Bonds, Clerk of Court; Peggy Hensley, Auditor; Tommy Morgan, County Attorney; Jim Thompson, Forfeited Land Commission Agent; Jason Taylor, County Administrator; Laura Johnson, Interim Deputy County Administrator; Patti Davis, Acting Secretary.

Others Present: Miriam Woodard, Neil Robinson, Yvette Howard, Shirley Green.

In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80 (e), as amended, the following persons and/or organizations have been notified of the time, date and location of this meeting: The Independent Voice of Blythewood and Fairfield, The Country Chronicle and one hundred thirty two other individuals.

1. Call to Order

Chairwoman Branham called the meeting to order at 10:00 a.m.

2. Approval of Agenda

Motion made by Commissioner Bonds, seconded by Commissioner Hensley, to approve the agenda. **Motion carried unanimously 3-0.**

3. Approval of Minutes

Motion made by Commissioner Hensley, seconded by Commissioner Bonds, to approve the minutes of November 13, 2019. *Motion carried unanimously 3-0.*

4. Receive Status Report from Agent Jim Thompson

Per Mr. Thompson, since the last meeting, he has been researching the properties, what issues there may be, environmental issues, looking at neighboring properties, etc., anything that may come up with transferring the property. He has been going by the procedures discussed at the last meeting. He has created a check list for each property in addition to taking photos of the properties. Up to this point, he has been to about 40 of the 100 or so properties. The ultimate goal is to go through the properties to determine what needs to be done; and he has done this on a number of the properties. He did a test subject with the Mexican Restaurant. The occupant

wants to buy this property, and Mr. Thompson has received a check which is being held in reserve. He has also had a deed prepared with respect to this property. Mr. Thompson now brings this parcel before the Committee for approval. The minimum bid was \$11,016.47. Commissioner Bonds inquired how the minimum bid was determined. Mr. Thompson created a worksheet with the delinquent tax office's assistance. Mrs. Woodard has gone through to create the minimum bid based on the tax from the delinquent year, interest, administration fee and the current year's taxes. If the property was current right now, this is what the minimum bid would be. Per Mrs. Woodard, it would be the taxes that were included at the original tax sale. The owners would then have to pay any current taxes. Motion made by Commissioner Bonds, seconded by Commissioner Hensley, to approve the land transfer as stated on the Mexican Restaurant. Motion carried unanimously 3-0. Mr. Thompson will contact Mr. Jack James to complete this transaction. Chairwoman Branham inquired who would pay the closing fees. Per Mr. Thompson, a certain portion of the administration fee will pay for the deed.

5. Approval of Properties for Conveyance by Forfeited Land Commission

Per Mr. Thompson, a list has been handed out containing properties that are ready to be transferred to the County. He has been working with Mr. Chris Clauson to establish properties that are in the interest of the County for various reasons, to include a future park, a future fire department location, a pump station, anything that could be in the benefit of the County to maintain. These properties have been researched extensively to assure there would be no problems in the future. Mr. Thompson has detailed files on the properties. The properties on the list above the line are primarily for rehabilitation and will be set aside to either clean up or get a third party to possibly create new housing on the properties. The properties at the bottom will possibly be used for a future park or fire station. Motion made by Commissioner Bonds, seconded by Commissioner Hensley, to approve the conveyance of the properties to Fairfield County. Motion carried unanimously 3-0.

6. Bank Account Creation and Expenses

Mr. Thompson stated because this is a separate entity from the County, with Mrs. Johnson's assistance, an established general ledger account has been set up titled Forfeited Land Commission. Just as with the money from the buyer of the Mexican restaurant, the Commission needs somewhere to keep the money and any other expenses, etc. Mr. Thompson believes the only expense will be postage. As the properties are gone through, a regular mail letter is sent along with a certified letter. Mr. Thompson also wanted to mention that the Commission will be responsible for any upkeep on property while it is in the hands of the Commission. Per Mr. Morgan, as the Commission works through and determines how to get the parcels back onto the tax roll, the number will drop. He would envision once the backlog is

cleared, going forward property should not be kept on the roll that long to be an issue. Mr. Taylor inquired if the expenses could be put back toward the purchase price, and Mr. Morgan will look into this. However, discussion of item #7 below may alleviate all of this.

7. Approval of Third Party Auction Company Involvement in Sale of Commission Properties

Mr. Thompson began calling around to other counties when he became the agent. He was told that after doing it the way the County is doing it for about 8-10 years, they all changed their procedures. He spoke with an auction company that deals with county properties as one of their areas of expertise. As soon as the property becomes available to the Forfeited Land Commission, these would be batched together and sent to the auction company. They auction company would then conduct the auction, and they have auctions twice a year. Once they get the properties, it will be pretty much a hands-off situation for the County. They process everything, send a package once a bid has been accepted and the paperwork comes to the Commission for signing. The check is then received. The minimum bid is not used, however, and a lesser amount may be received for some properties, more for others. The experience of the other counties is it washes out to be very similar. They do creative things such as batching certain properties that may not have been as desirable to try to move the property as efficiently as possible. Other than talking with the other counties, the only way to test this is to do it. The auction company does set money aside for maintenance. This process takes a lot of the questions out of the picture, favoritism for instance. They do have properties that are not sold, but they have seen a very minimal amount of these. The specific company Mr. Thompson spoke with is Terry Howe Auctions out of Greenville. The auctions are held in July and September. Their site would be linked to the County site, and the County software would facilitate their use already. Commissioner Bonds inquired of the auction company's commission. Per Mr. Thompson, the commission is a buyer's premium of perhaps 10% which is paid by the buyer; therefore, the Commission would have no expense in this scenario. Liability is limited and expenses are minimal. This would also alleviate bias. Mr. Morgan stated, going forward once the backlog is taken care of, this process can be automated through a third party to be streamlined. Mr. Neil Robinson inquired if this will be contractual between the auction company and the Commission. Per Mr. Thompson, this should be a very minimal contract in order to do business with them. From that point on, it would be between the company and the buyer. County Procurement rules would not apply to the Commission; however, more than one company should be looked at by the Commission before the decision is made. Mrs. Woodard inquired who would a person go to if they were looking at a property. Per Mr. Thompson, the company would have an information person in their office. The Forfeited Land Commission website will include a telephone number for that information person in order to get property information. There are a couple of other companies who do county government auctions.

Terry Howe gave references from Chester and Lancaster Counties, and Mr. Thompson has checked into these. Commissioner Bonds stated she believes this would be a good idea. She knows of the one piece of property that was bought and the purchaser never got a deed. Mr. Thompson stated every property would not be sent to an auction company. He has red files containing the properties that are challenging, which includes this property. The Mexican restaurant was also red filed. Chairwoman Branham thanked Mr. Thompson for his work so far. Discussion ensued concerning the proper motion to put forth concerning the auction company. Motion made by Commissioner Bonds, seconded by Commissioner Hensley, to authorize the agent to look into auction companies, make a determination and present information back to the commission. Mr. Thompson said the auction company would only get properties once problems have been dealt with. He will look into the contract situation. Chairwoman Branham inquired of Mrs. Woodard if there were any verbal commitments to anyone. Mrs. Woodard has had a lot of people to call with interest in properties. She would take their name, address and other contact information and keep a running log. She had advised them to keep a lookout for the site to come up with the property. Mr. Thompson has spoken with the same people. He has been maintaining the same information and has also informed them the site would be up soon, and they could go on the site to see if the property they were interested in was listed. A lot of these issues will be alleviated with using the auction company. Mrs. Woodard questioned the time frame of when a bid can be placed on the property. Per Mr. Thompson, this company has two auctions a year. They reapply the properties twice a year. This time period is not a lot as compared to real estate closings. He does not feel the time frame is out of line in getting the properties to the people. The procedure would be streamlined with getting information from the auction company to the attorney. The properties would be listed on the website, and there would be a due diligence time frame. Bids can be made at any time. Motion carried unanimously 3-0.

8. Adjourn

At 10:56 a.m., motion made by Commissioner Bonds, seconded by Commissioner Hensley, to adjourn. *The motion carried unanimously 3-0.*

Patti L. Davis

Norma Branham, Chairwoman