

# 29TH ANNUAL NAPSA CONFERENCE



Los Angeles County – Tax-Defaulted Properties of Vulnerable  
Seniors and Dependent Adults Task Force

Session #707

# COUNTY OF LOS ANGELES WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES

(WDACS)



**WDACS**

WORKFORCE DEVELOPMENT  
AGING & COMMUNITY SERVICES





# WDACS

WORKFORCE DEVELOPMENT  
AGING & COMMUNITY SERVICES



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## Los Angeles County – Tax-Defaulted Properties of Vulnerable Seniors and Dependent Adults Task Force

### **Training Objectives:**

Learn about the following:

- ❖ The problem of Tax-Defaulted Properties and subsequent Tax Sales of properties belonging to Seniors and Dependent Adults who suffer from cognitive or mental health impairment
- ❖ Los Angeles County's solution for the prevention of Tax Sales of properties belonging to vulnerable adults: Taskforce Background/Development/Implementation
- ❖ LA County Lessons Learned: Collaboration/Impact to APS Operations/Areas of Improvement
- ❖ Recommendations to State and County Departments

## Los Angeles County – Tax-Defaulted Properties of Vulnerable Seniors and Dependent Adults Task Force

### What is a Tax Lien Sale?

- ❖ All states have laws that authorize local governments to sell property through a tax lien foreclosure process if the owner fails to pay property taxes.



- ❖ These laws place a lien on the property for the amount of past due taxes.

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### *What are the consequences for not paying property taxes?*

- ❖ If the taxes remain unpaid, municipalities auction the lien or the property to private purchasers and investors.
- ❖ Owners typically have a right to redeem their property prior to foreclosure by paying the tax sale purchaser the purchase price plus interest, penalties, and other costs within the time period allowed by local statute. The failure to redeem leads to foreclosure.
- ❖ In the 2012 report from the **National Consumer Law Center**, entitled “The Other Foreclosure Crisis” the NCLC concluded that state and local reforms where necessary to help seniors and other homeowners save their homes from foreclosures related to tax lien sales.



# Los Angeles County – Tax-Defaulted Properties of Vulnerable Seniors and Dependent Adults Task Force

## THE OTHER FORECLOSURE CRISIS

PROPERTY TAX LIEN SALES



July 2012

**NCLC**  
NATIONAL  
CONSUMER  
LAW  
CENTER

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**NCLC SUMMARY OF FINDINGS AND RECOMMENDATIONS FOR  
HOMEOWNER PROTECTIONS – 2012**

- ❑ Increased availability, funding, and promotion of Tax Relief Programs such as Tax Postponement/Deferral, tax abatement/exemption
- ❑ Increased ability of Pre- and Post-Sale Payment Plans
- ❑ Increased/enhanced notification of tax delinquency and tax sale of properties owned by vulnerable homeowners as well as redemption rights



L.A. County retools tax bills

Property owners will find new features, one designed to clearly warn them of delinquencies.

September 28, 2003 Diane Wedner | Times Staff Writer

Los Angeles County's 2003 property tax bills, which will be mailed late this week, feature an important change meant to clearly warn owners of delinquencies that could result in the seizure and sale of their homes.

The newly designed bills notify property owners -- in bold print against a bright pink background -- of back taxes owed. Additionally, the stub that is presented to cashiers by owners who pay their taxes in person clearly shows any delinquency. Cashiers can then remind the taxpayers of their overdue payments and penalties.

These changes and other reforms passed by the Los Angeles Board of Supervisors in March were prompted by the plight of an 85-year-old Inglewood man whose home was sold by the county after he unknowingly failed to pay a \$546 tax bill that had been sent to his address in the previous owner's name. Terrell Dotson has since returned to his home but only after receiving help from the tax collector, a county supervisor and others.

Taxpayers typically become delinquent either because they fail to receive bills or because they hold off payment while disputing a bill, said Donna Doss, assistant treasurer and tax collector for Los Angeles County.

Some property owners fail to pay "supplemental" tax bills that arrive during the year. These reflect the difference between the previously assessed value of one's property and the current assessed value. The bills are an additional, not a substitute, tax bill.

Homeowners should receive property tax bills by early November; if not, call the county tax collector and request a substitute bill. This year's payments must be postmarked by Dec. 10 and April 12.

"State law says you're responsible for paying the bills on time," Doss said. "Even if you're not in receipt of the bill."

If only Beth Weitz had known that. The 60-year-old owner of a two-bedroom condo in West Los Angeles failed to receive her property tax bill in October 1998, two months after moving into her home. The bill was mailed to the previous owners at their new address, she said, but they failed to forward the bill. New to the process of paying property taxes and unaware that they were owed even on a recently bought property, she missed one payment of \$3,216.

Over the course of five years -- the time the Los Angeles County treasurer and tax collector gives owners to resolve delinquent bills before the property is auctioned -- Weitz received and promptly paid her property tax bills, unaware that she was accruing penalties for the missed payments. "Because of the tiny print on the bill, I missed that I was delinquent," Weitz said. "Imagine my surprise when I just received a pink notice in the mail saying I owe \$6,023 in back taxes and penalties."

Weitz has agreed to pay the amount owed and will keep her home.

The treasurer-tax collector hopes that cases such as Weitz's and Dotson's, which Doss said occur infrequently, will be fewer after this year's bills. Orange, Ventura, San Bernardino and Riverside counties' tax bills will not reflect any changes this year, as most of those counties already addressed the problems Los Angeles County now is tackling.

To help ensure that Los Angeles County property owners, especially the elderly and those needing assistance, receive adequate notice of delinquencies, the treasurer and tax collector's office has put these additional reforms in place:

- \* Each August, homeowners who are in arrears will receive a separate tax bill that lists all the years for which they have a delinquency.
- \* Elderly homeowners and those with special needs now have the option to designate a third party, such as a friend or relative, to receive delinquency notices on their behalf and to be notified about the pending sale of a property.
- \* Owner-occupied properties will not be sold until the owner has been notified in person by a representative of the county's Department of Community and Senior Services and the Department of Consumer Affairs, and has been advised of assistance and payment plans available.

Property owners who fall behind in tax payments can avoid losing their homes if they pay the entire delinquent bill or make a down payment of 20% on what is owed and then pay 20% of the back taxes each year until the debt is resolved, Doss said. Owners who are in default have until 5 p.m. the day before an auction to redeem their property.

Under the new system, property owners will be informed of delinquencies multiple times and in several ways, in addition to fine-print notices accompanying bills.

"It's our goal to collect taxes," Doss said, "not to see people lose their homes."

Easing the pain of a taxing day

If your property tax bill has not arrived by Nov. 5, call your county tax collector and request a substitute bill. You must return it, along with your payment, by Dec. 10. Penalties accrue after that date, and failure to receive a bill does not excuse nonpayment.

For questions about tax bills that do not arrive, substitute tax bills, property assessments and other issues related to property tax, call the treasurer-tax collector's offices:

\* Los Angeles County: (213) 974-3211

\* Orange County: (714) 834-3411

\* Ventura County: (805) 654-3744

\* San Bernardino County: (909) 387-8308

\* Riverside County: (909) 955-3900

Related information is available online:

\* Los Angeles County registrar-recorder/county clerk provides copies of deeds and other recorded documents, <http://regrec.co.la.ca.us/>.

\* County assessor assesses real estate and personal property (businesses, boats and airplanes) throughout the county, [www.lacountyassessor.com](http://www.lacountyassessor.com).

\* Auditor-controller receives the assessments from the assessor and applies the appropriate tax rate to determine the actual amount of property tax owed, <http://auditor.co.la.ca.us/>.

\* Treasurer-tax collector mails property tax bills, collects and deposits the money in the county treasury, <http://tax.co.la.ca.us/main.htm>.

Source: Los Angeles County assessor's office.



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## LOS ANGELES COUNTY TASK FORCE: BACKGROUND



**In 2003, a senior's home was sold at auction and rendered homeless due to non-payment of property taxes.**

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**BOARD OF SUPERVISOR'S MOTION FEBRUARY 25, 2003**

To help ensure that Los Angeles County property owners, especially the elderly and those needing assistance, receive adequate notice of delinquencies and assistance, the Treasurer and Tax Collector's Office SHALL do the following:

- Each August, homeowners who are in arrears will receive a separate tax bill that lists all the years for which they have a delinquency.
- Elderly homeowners and those with special needs now have the option to designate a third party, such as a friend or relative, to receive delinquency notices on their behalf and to be notified about the pending sale of a property.
- Owner-occupied properties will not be sold until the owner has been notified in person by a county representative and has been advised of assistance and payment plans available.



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## LOS ANGELES COUNTY TASK FORCE: BACKGROUND (CONT)



**Based on this senior's loss, the LA County Board of Supervisors directed Treasurer and Tax Collector (TTC), Department of Consumer and Business Affairs (DCBA) and WDACS/APS to develop a process ensuring assistance for seniors and adults with special needs.**

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## TASK FORCE PARTNERS



LOS ANGELES COUNTY  
**CONSUMER &  
BUSINESS AFFAIRS**  
1.800.593.8222



**WDACS  
/APS**

**TTC**

**DCBA**

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## LOS ANGELES COUNTY TASK FORCE: BACKGROUND

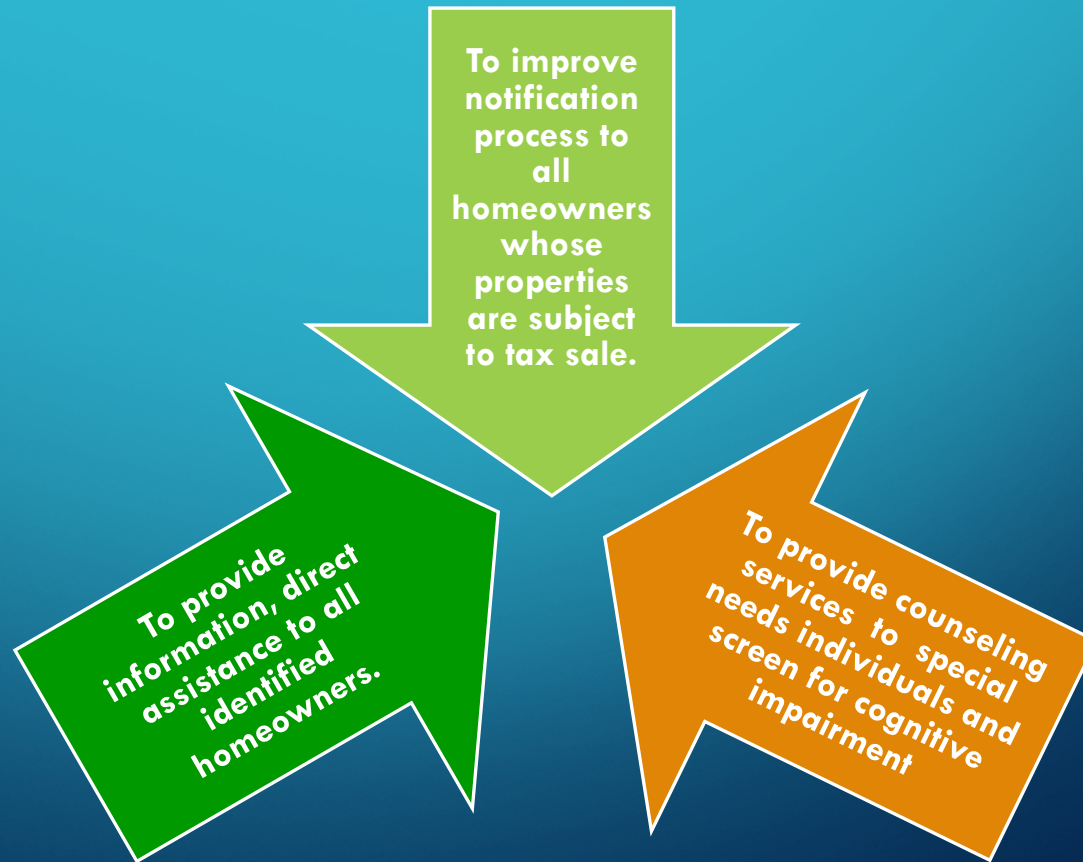
In March 2003,  
planning  
discussions  
began between  
the three  
departments



TTC Task Force  
established in  
January 2004.



# LOS ANGELES COUNTY TASK FORCE: OBJECTIVES



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## LOS ANGELES COUNTY TASK FORCE: PROCESS/WORKFLOW



# THE ROLE OF THE TASK FORCE: TREASURER & TAX COLLECTOR STAFF



**Identify and disseminate  
Parcels to WDACS/APS and  
DCBA staff.**

**Establish timeline for  
contacts and completion  
dates.**

**Monitor Task Force  
activities**



# THE ROLE OF THE LOS ANGELES COUNTY TASK FORCE:

## DCBA Investigators and WDAC/APS Social Workers



**Conduct a Face-to-Face interview**



**Provide current tax bill and other information**

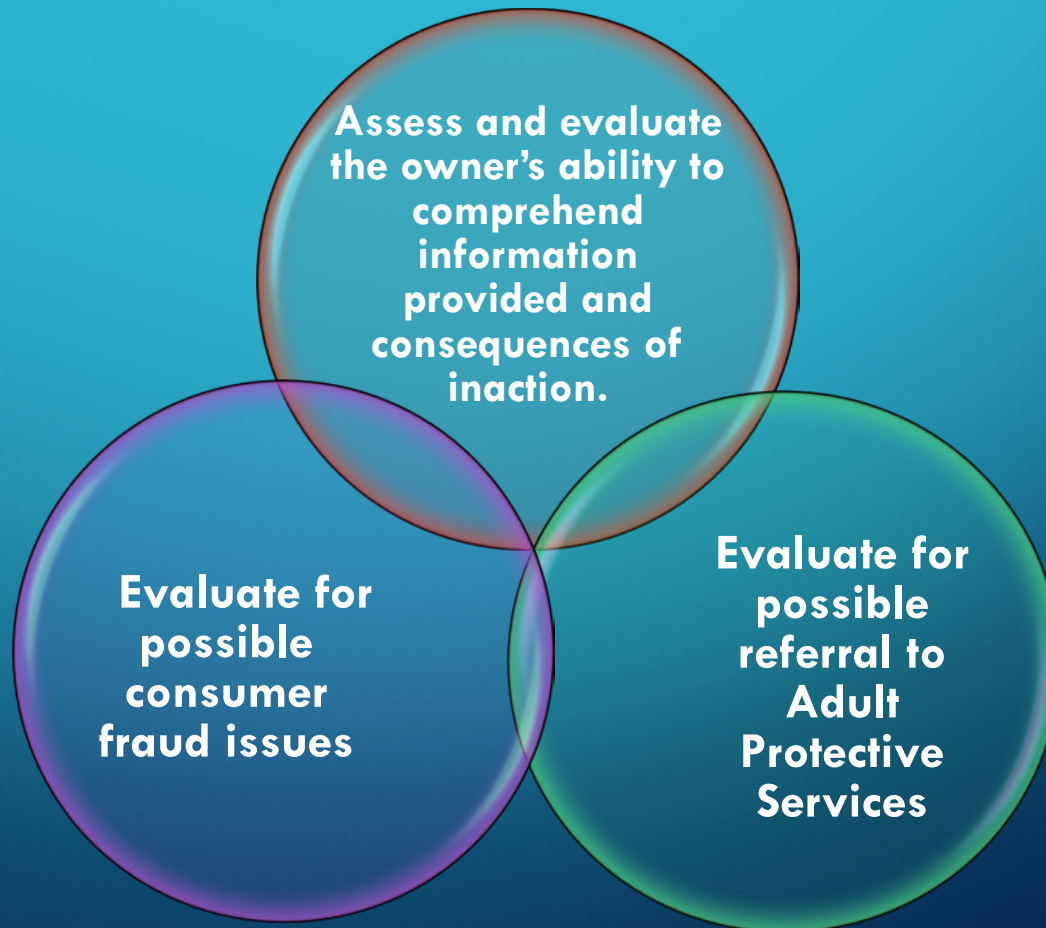


**Provide counseling services and resources**



# THE ROLE OF DCBA:

## DCBA Investigators



# THE ROLE OF WDACS/APS:

## WDACS/APS Social Workers



**Assess and  
evaluate for  
possible cognitive  
impairment issues**

**Assess and  
evaluate for  
Elder/Dependent  
Adult Abuse**

**Assess for  
ongoing service  
needs**



# THE ROLE OF APS/DCBA:

## DCBA Investigators & APS Social Workers



**Complete  
documentation of all  
activities and forward  
to TTC.**



**Determination by APS/DCBA  
staff to request that property  
be removed from auction  
due to the owner's possible  
impairment.**

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# THE ROLE OF TTC:

## Treasurer and Tax Collector Staff

**Receive and  
review all  
documentation**

**Consult with  
WDACS/APS and  
DCBA staff for  
clarification**

**Remove parcels  
from auction  
based on info  
provided by  
taskforce**

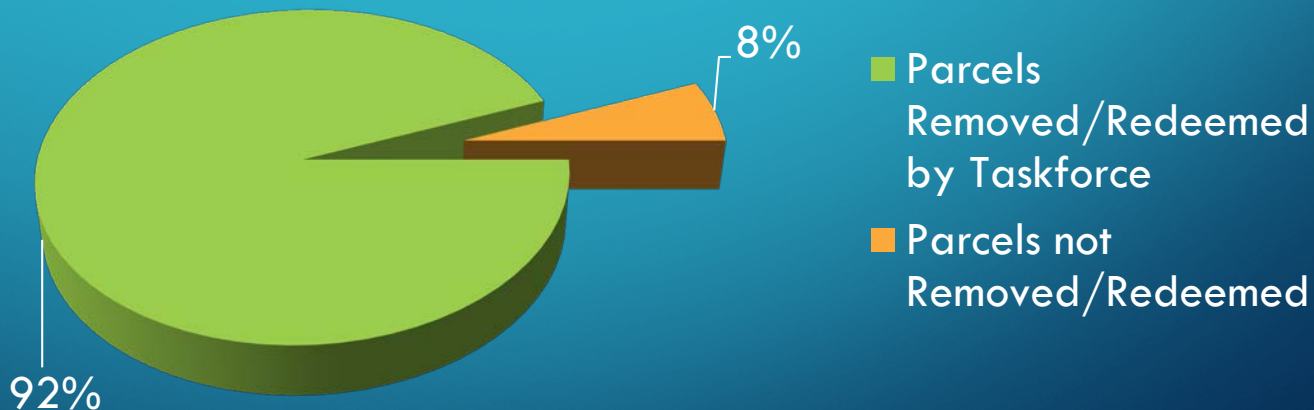
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LA COUNTY TASK FORCE DATA	
# of Parcels Per Auction	350
% of Properties Redeemed	90%
Average # of Properties Removed from Auction: Elderly and Dependent Adults	10-15
Average # of Staff Hours - APS	1000
Average # of APS Staff on Project	15
Avg. # of Hours per Parcel	4



## TASK FORCE IN FY 2017

**92% of the parcels were removed or redeemed from auction due to the activities provided by the TTC Task Force.**



12 Properties belonging two Elderly or Dependent Adult Homeowners were removed from auction resulting in all cases open to Adult Protective Services for further intervention.

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## LA COUNTY TASK FORCE LESSONS LEARNED AND RECOMMENDATION

- ❖ Implement a Task Force in your jurisdiction
- ❖ Staff/Time Commitment
- ❖ Seek Funding
- ❖ Collaboration
- ❖ Staff Training
- ❖ Outreach and Education

Los Angeles County  
Productivity and Quality Commission  
Top Ten Award Winner  
2009





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QUESTIONS  
???

