



CITY OF LONG BEACH

C-5

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

October 23, 2007

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the acquisition of a tax-defaulted property, Assessor Parcel Number 7269-017-009, in the City of Long Beach from the County of Los Angeles; authorize the City Manager to execute a Chapter 8 Agreement and any and all documents necessary for the acquisition of the tax-defaulted property; and authorize the City Manager to execute all necessary documents for the conveyance of Assessor Parcel Number 7269-017-009 to the Long Beach Housing Development Company. (District 1)

DISCUSSION

In May 2007, the Los Angeles County Treasurer and Tax Collector (County) released a list of properties to be included in the 2007B Public Tax Auction (Auction). These properties have been tax-defaulted for non-payment of property taxes and deemed Subject to Power to Sell by the County. Prior to conducting the Auction, the County grants local governmental agencies an opportunity to request acquisition of these properties via a Chapter 8 agreement (Agreement), if a public need can be determined. An Agreement is provided under the California Revenue and Taxation Code, Division 1, Part 6, Chapter 8, which outlines the provisions for the acquisitions of properties by a public agency.

City staff has reviewed and identified one parcel for City acquisition. The Long Beach Housing Development Company (LBHDC) has requested this parcel for the development of affordable housing. Upon acquisition by the City, this parcel will be conveyed to LBHDC. A listing of the parcel and acquisition cost is attached as Exhibit "A" with a corresponding map as Exhibit "B". Additional fees of approximately 15 percent will be charged for the parcel for administrative and processing costs.

The Department of Community Development, on behalf of the City, submitted a written request to the County for an Agreement for the purchase of this property. In order to proceed, the County requires that the City Council adopt a resolution authorizing the acquisition of tax-defaulted property and authorizing the City Manager to enter into an Agreement with the County (Exhibit "C"). Once the City's Agreement is approved by the Los Angeles County Board of Supervisors and the State of California Controller's Office, the County is required to notify the property owners of the pending Agreement with the City. In the event that the property owners pay the delinquent tax amount prior to the

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effective date of the Agreement, the owners would retain the property and the City could no longer proceed with the purchase. However, should the property owners fail to pay the delinquent amount by the effective date of the Agreement, the City may proceed with the acquisition.

This letter was reviewed by Assistant City Attorney Heather A. Mahood on October 4, 2007, and Budget Management Officer Victoria Bell on October 4, 2007.

TIMING CONSIDERATIONS

City Council action is requested on October 23, 2007, in order to facilitate acquisition of the property.

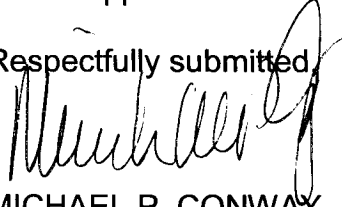
FISCAL IMPACT

The estimated cost to acquire this parcel requested by LBHDC for the use of affordable housing is \$39,652. Sufficient funds are currently budgeted in the Housing Development Fund (SR 135) in the Department of Community Development (CD). The proposed acquisition of this parcel will have no impact on the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
ACTING DIRECTOR OF COMMUNITY DEVELOPMENT

MPC:JEF:lel
Exhibit – “A” Los Angeles County Tax Defaulted Property
Exhibit – “B” Site Maps
Exhibit – “C” Resolution
10.23.07 CC ltr Tax-Default Property

APPROVED:


PATRICK H. WEST
CITY MANAGER

EXHIBIT "A"
CHAPTER 8 LOS ANGELES COUNTY TAX DEFAULTED PROPERTY 2007B

District	Assessor Parcel Number	Address	Purchase Price	Approximate Administrative Costs	Total Acquisition Cost	Use of Property
1	7269-017-009	Rudolph Tract 1/2 Vac. Alley	\$34,480	\$5,172	\$39,652	Affordable Housing
Subtotal:			\$34,480	\$5,172	\$39,652	
Total Housing Acquisition Costs:					\$39,652	

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH TO EXECUTE A CHAPTER 8
5 AGREEMENT WITH THE COUNTY OF LOS ANGELES TO
6 ACQUIRE TAX-DEFAULTED PROPERTY
7

8 WHEREAS, the City has been notified by the County of Los Angeles that
9 certain property described in Exhibit "A" hereto (the "Property") was deemed "Subject to
10 Power to Sell" for default of property taxes and is scheduled to be sold at public auction;
11 and

12 WHEREAS, Division 1, Part 6, Chapter 8 of the Revenue and Taxation
13 Code permits the City to acquire such Property, prior to a public auction, for an amount
14 equal to the defaulted property taxes; and

15 WHEREAS, the City has considered acquiring the Property pursuant to a
16 "Chapter 8 Agreement" with the County of Los Angeles and reviewed and evaluated the
17 proposed acquisition in relation to open space and affordable housing objectives; the
18 staff report prepared on this matter; and all of the information and evidence presented at
19 the meeting; and

20 WHEREAS, the City has determined that the acquisition of the Property is
21 in the best interest of the City of Long Beach and its residents;

22 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
23 follows:

24 Section 1. The City finds and determines, based upon substantial
25 evidence provided in the record before it, that the acquisition of the Property will support
26 the City's efforts to acquire and construct affordable housing.

27 Section 2. Pursuant to provisions of the Revenue and Taxation Code,
28 the City shall enter a Chapter 8 Agreement with the County of Los Angeles, in order to

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1 complete the acquisition of the Property for the open space and affordable housing
2 purposes.

3 Section 3. The City Manager is hereby designated to take all action
4 necessary to acquire the Property.

5 Section 4. This resolution shall take effect immediately upon its adoption
6 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

7 I hereby certify that the foregoing resolution was adopted by the City
8 Council of the City of Long Beach at its meeting of _____, 20__ by the
9 following vote:

10	Ayes:	Councilmembers:	_____
11			_____
12			_____
13			_____
14	Noes:	Councilmembers:	_____
15			_____
16	Absent:	Councilmembers:	_____
17			_____
18			_____
19			_____
20			_____
21			_____
22			_____
23			_____
24			_____
25			_____
26			_____
27			_____
28			_____

City Clerk

HAM:fl
10/4/07
#07-04864

EXHIBIT "A"

DESCRIPTION OF THE PUBLIC IMPROVEMENTS

7269-017-009 -- Rudolph Tract