



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

C-11

October 11, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the acquisition of tax-defaulted properties from the County of Los Angeles, consisting of Assessor Parcel Numbers 7207-002-057, 7207-002-058, 7269-017-008, 7269-017-010, and 7304-025-021, in the City of Long Beach; authorize the City Manager to execute a Chapter 8 Agreement and any and all documents necessary for the acquisition of these tax-defaulted properties; and authorize the City Manager to execute all necessary documents for the conveyance of Assessor Parcel Numbers 7269-014-008, 7269-017-010 and 7304-025-021 to the Long Beach Housing Development Company. (Districts 1, 7 and 9)

DISCUSSION

In June 2005, the Los Angeles County Treasurer and Tax Collector (County) released a list of properties to be included in the 2005B 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. The Agreement is provided under the California Revenue and Taxation Code, Division 1, Part 6, Chapter 8, which outlines the provisions for the acquisition of properties by a public agency.

City staff has reviewed the Auction list and identified five parcels for City acquisition. Three of the five parcels have been requested by The Long Beach Housing Development Company (LBHDC) for the development or rehabilitation of dwellings for resale to low or moderate-income homebuyers. Upon acquisition by the City, these three parcels will be conveyed to The LBHDC. The Department of Parks, Recreation and Marine has requested two parcels for park-related uses. A list of the parcels and acquisition costs is attached as Exhibit "A" with corresponding maps as Exhibit "B." Ancillary to the acquisition cost, fees of approximately 15 percent will be charged for each parcel for administrative and processing costs, including title search, advertisement, and postage.

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The Department of Community Development, on behalf of the City, submitted a written request to the County for the Agreement to purchase these properties. 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 the Agreement with the County.

Once the 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 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 September 20, 2005 and Budget Management Officer David Wodynski on September 27, 2005.

TIMING CONSIDERATIONS

City Council action is requested on October 11, 2005, in order to facilitate acquisition of the properties.

FISCAL IMPACT

The estimated cost to acquire the three parcels requested by The LBHDC for use as affordable housing is \$279,645. Sufficient funds are currently budgeted in the Housing Development Fund (SR 135) in the Department of Community Development (CD). The proposed acquisition of the three parcels will have no impact on the General Fund.

The estimated cost to acquire the two parcels requested by the Department of Parks, Recreation and Marine is \$5,602. Sufficient funds to support this acquisition are currently budgeted in the Capital Projects Fund (CP) in the Department of Public Works (PW). Minimal maintenance costs to maintain these undeveloped parcels will be absorbed within current appropriations.

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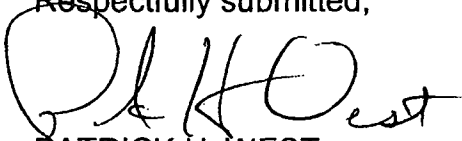
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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
DIRECTOR OF
COMMUNITY DEVELOPMENT



PHIL T. HESTER
DIRECTOR OF PARKS,
RECREATION AND MARINE




CHRISTINE F. ANDERSEN
DIRECTOR OF PUBLIC WORKS

PHW:PTH:CFA:MT:lej

Attachments: Exhibit "A" Property List
Exhibit "B" Site Maps
Resolution

APPROVED:



GERALD R. MILLER
CITY MANAGER