



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

May 5, 2009

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

1. Adopt a Resolution authorizing the acquisition of tax-defaulted property, Assessor Parcel Number 7208-014-010, in the City of Long Beach from the County of Los Angeles.
2. Authorize the City Manager to execute a Chapter 8 Agreement and any and all documents necessary for the acquisition of the tax-defaulted property.
3. Authorize the City Manager to execute all necessary documents for the conveyance of Assessor Parcel Number 7208-014-010 to The Long Beach Housing Development Company. (District 6)

DISCUSSION

In November 2008, the Los Angeles County Treasurer and Tax Collector (County) released a list of properties to be included in the 2009A 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, as allowed 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 if a public need can be determined (Chapter 8 Agreement).

City of Long Beach (City) staff has reviewed and identified one vacant parcel for City acquisition, located at 2331 Locust Avenue, Assessor Parcel Number 7208-014-010. Please see the attached Site Map (Exhibit A). The Long Beach Housing Development Company (LBHDC) has requested this parcel in order to construct one single family home for re-sale to low/moderate income homebuyers. Upon acquisition by the City, this parcel will be conveyed to LBHDC with construction to proceed. The purchase price of the parcel from the County is approximately \$20,517, which represents the amount of delinquent property taxes and penalties owed on the parcel. Additional fees of approximately 20 percent, or \$4,103, will be charged for administrative and processing costs, for a total cost of \$24,620.

HONORABLE MAYOR AND CITY COUNCIL

May 5, 2009

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On behalf of the City, the Department of Community Development submitted a written request to the County for a Chapter 8 Agreement to purchase the property. In order to proceed, the County requires the City Council to adopt a resolution authorizing the acquisition of tax-defaulted property and authorizing the City Manager to enter into an Agreement with the County (Exhibit B). 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 effective date of the Agreement with the City. In the event the property owners pay the delinquent tax amount prior to the effective date of the Agreement, the owners will retain the property and the City will be unable to proceed with the purchase. However, should the property owners fail to pay the delinquent tax amount by the effective date of the Agreement, the City may proceed with the acquisition.

This matter was reviewed by Assistant City Attorney Heather A. Mahood on April 14, 2009 and Budget and Performance Management Bureau Manager David Wodynski on April 15, 2009.

TIMING CONSIDERATIONS

City Council action is requested on May 5, 2009, in order to facilitate acquisition of the property.

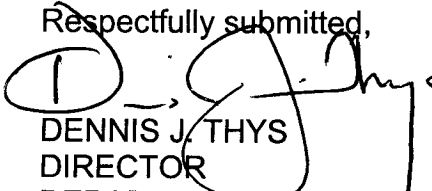
FISCAL IMPACT

The estimated cost to acquire the parcel requested by LBHDC for rehabilitation and re-sell as affordable housing is \$24,620. Sufficient funds are currently budgeted in the Housing Development Fund (SR 135) in the Department of Community Development (CD). The proposed acquisition will have no impact on the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



DENNIS J. THYS
DIRECTOR

DEPARTMENT OF COMMUNITY DEVELOPMENT


DTJ:MFT:gw

5-5-09 2009A Tax Defaulted Property v3.doc

Attachment: Exhibit A - Site Map

Attachment: Exhibit B - Resolution

APPROVED:



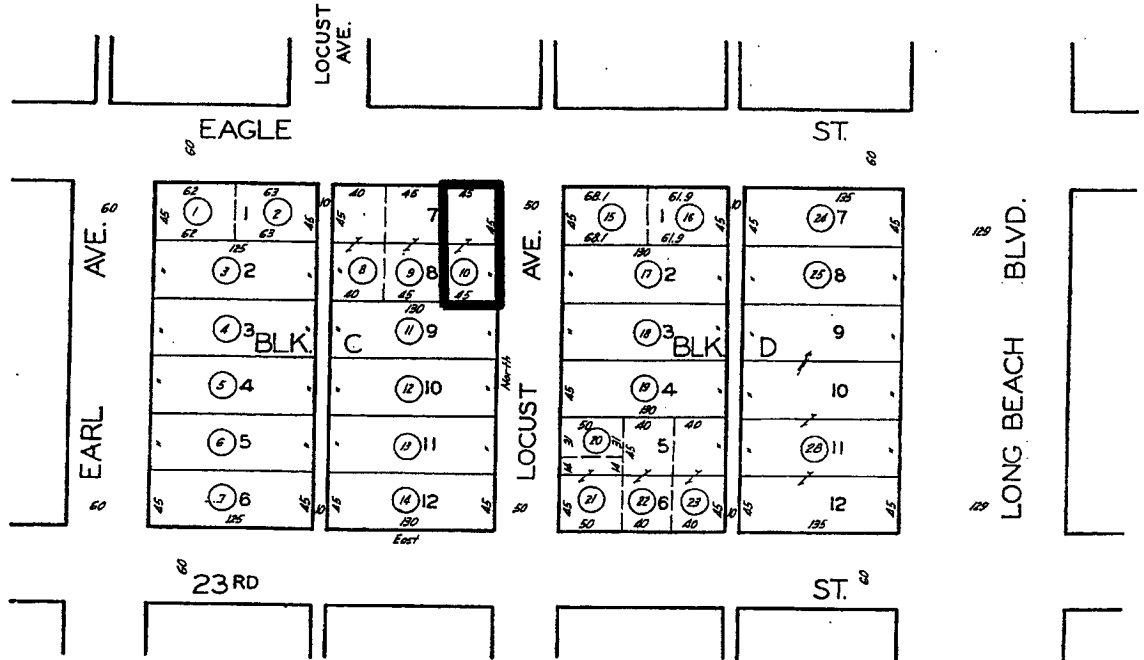
PATRICK H. WEST
CITY MANAGER

EXHIBIT A

SITE MAP

7208 | 14
SCALE 1" = 80'

1995



TRACT NO. 3572

M. B. 39-9

CODE
11934



2331 Locust Avenue
Assessor Parcel Number: 7208-014-010

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 (2331 LOCUST
7 AVENUE)

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

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

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

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

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

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

28 Section 2. Pursuant to provisions of the Revenue and Taxation Code,

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 the City shall enter a Chapter 8 Agreement with the County of Los Angeles, in order to
2 complete the acquisition of the Property for the open space and affordable housing
3 purposes.

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

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

8 I hereby certify that the foregoing resolution was adopted by the City
9 Council of the City of Long Beach at its meeting of _____, 2009 by the
10 following vote:

11 Ayes: Councilmembers: _____

12 _____

13 _____

14 _____

15 Noes: Councilmembers: _____

16 _____

17 Absent: Councilmembers: _____

18 _____

19 _____

20 _____

City Clerk

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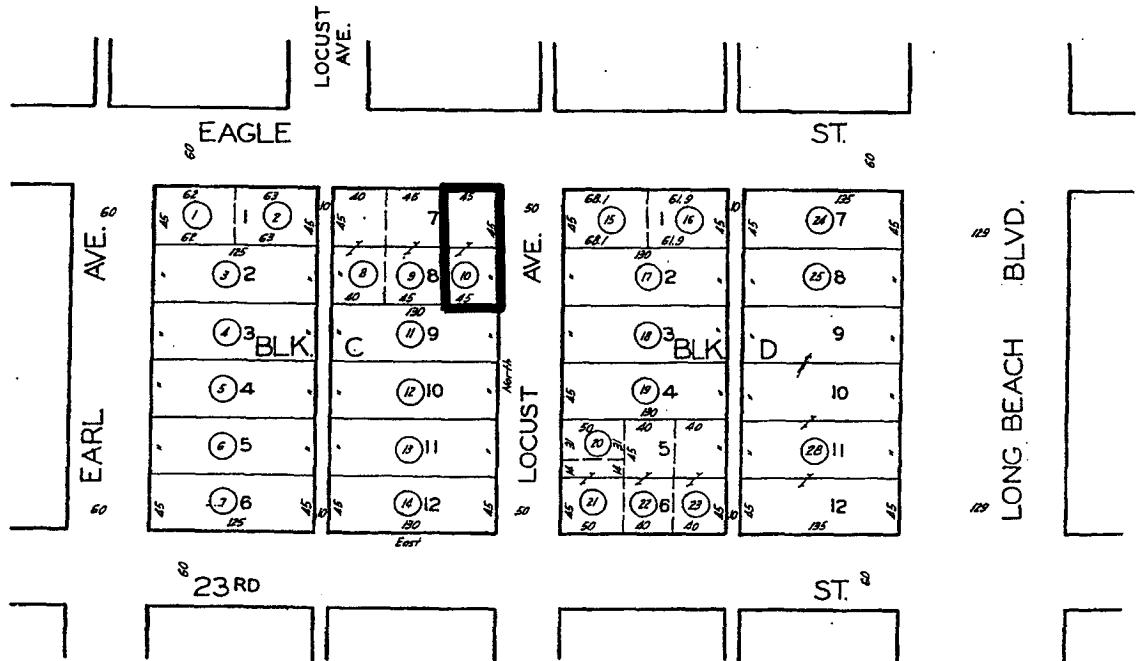
HAM:kdh
04/14/09
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EXHIBIT A

SITE MAP

7208 | 14
SCALE 1" = 80'

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2331 Locust Avenue

Assessor Parcel Number: 7208-014-010