



## Legislation Text

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**File #:** 07-0253, **Version:** 1

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Recommendation to adopt resolution authorizing the acquisition of tax-defaulted properties, consisting of Assessor Parcel Numbers 7070-017-004, 7130-026-005, 7186-006-005, 7235-018-020, and 7241-012-117, in the City of Long Beach from the County of Los Angeles; authorize City Manager to execute a Chapter 8 Agreement with any and all documents necessary for the acquisition of these tax-defaulted properties; and authorize City Manager to execute all documents necessary for the conveyance of Assessor Parcel Numbers 7070-017-004, 7130-026-005, 7186-006-005, 7235-018-020, and 7241-012-117 to the Long Beach Housing Development Company. (Districts 4,5,8)

In December 2006, the Los Angeles County Treasurer and Tax Collector (County) released a list of properties to be included in the 2007A 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 acquisition of properties by a public agency.

City staff has reviewed the list of properties and identified five parcels for City acquisition. All five parcels have been requested by The Long Beach Housing Development Company (LBHDC) for the development of affordable housing. Upon acquisition by the City, these five parcels will be conveyed to LBHDC. A list of the parcels and acquisition costs is attached as Attachment "A" with corresponding maps as Attachment "B." Additional fees of approximately 15 percent will be charged for each 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 these properties. In order to proceed, the County requires that the City Council adopt a resolution authorizing the acquisition of tax-defaulted property and authorize the City Manager to enter into an Agreement with the County (Attachment "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 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 February 22, 2007 and Budget and Performance Management Bureau Manager David Wodynski on March 5, 2007.

City Council action is requested on March 13, 2007, in order to facilitate acquisition of the properties.

The estimated cost to acquire the five parcels requested by LBHDC for use as affordable housing is \$119,913, including administrative and processing costs. Sufficient funds are currently budgeted in

the Housing Development Fund (SR 135) in the Department of Community Development (CD). The proposed acquisition of the five parcels will have no impact on the General Fund.

Approve recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH TO EXECUTE A CHAPTER 8 AGREEMENT WITH THE COUNTY OF LOS ANGELES TO ACQUIRE TAX-DEFAULTED PROPERTY

PATRICK H. WEST  
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:

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GERALD R. MILLER  
CITY MANAGER