



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Treasurer-Tax
Collector-Public
Administrator
Department No.: 065
For Agenda Of: October 4, 2016
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Harry E. Hagen, CPA, CPFO, CFIP, ACPFIM, Treasurer-Tax
Director(s) Collector
(805) 568-2490
Contact Info: Bryan Fiebert, Operations Manager
(805) 568-2483

SUBJECT: Agreement to Purchase "Tax Defaulted Property Subject to the Power to Sell"

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form: No

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a. Receive and accept the attached Cuyama Valley Recreation District Application to Purchase Tax-Defaulted Property from County; and
- b. Adopt the Resolution Approving a Sale by Agreement of Tax-Defaulted Property; and
- c. Approve and authorize the Chair to execute an Agreement to Purchase Tax-Defaulted Property; and
- d. Determine that the above actions are not a project under Section 15378(b)(4) of the CEQA Guidelines because they consist of government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

The Cuyama Valley Recreation District (the “District”) has applied to purchase a tax-defaulted property in accordance with Chapter 8 of Part 6 of Division 1 of the California Revenue and Taxation Code. Chapter 8 permits eligible public agencies and nonprofit organizations to acquire tax-defaulted property subject to sale by the Tax Collector.

Background:

Under Revenue and Taxation Code Section 3791, et seq., the State, cities, taxing agencies and revenue districts are eligible to acquire tax-defaulted property. A public agency may apply to purchase a parcel by submitting a written application for a parcel that is currently in tax default, and subject to the Power to Sell, pursuant to the Revenue and Taxation Code.

The Treasurer-Tax Collector has received a completed and timely Application to Purchase Tax-Defaulted Property for Assessor’s parcel number 149-040-002 from the District dated March 17, 2016.

Parcels have an initial five-year redemption period in California after which they become tax-defaulted. The parcel first became tax-defaulted on July 1, 2007, and was not redeemed during the five-year redemption period. The parcel was then recorded in a power-to-sell status, and the Treasurer-Tax Collector made numerous collection attempts. After receiving the application to purchase the County began negotiating the purchase agreement with the District.

The Council Resolution No. 2015/16-01.1 states that the District’s mission is to provide wholesome recreational opportunities for the residents of Cuyama Valley. Additionally, it states this parcel is to provide a park that will allow for the mission of the District to be carried out to the fullest extent. This property currently has a football/soccer field, two softball fields, a lawnmower race track, and a vast amount of open space. The property has been 50% owned by the District since 1998.

The District and the Treasurer-Tax Collector have agreed on a purchase price of \$8,911.51 for Assessor parcel number 149-040-002. The amount assumes a January 2017 effective sale date with certain costs estimated. This purchase amount is in accordance with the State Controller’s recommendation that the purchase amount cover the defaulted taxes and assessments, penalties, and other charges pursuant to Revenue and Taxation Code Section 3698.5(a)(1).

Several events may cause the parcel(s) to be withdrawn from this sale. These events include, but are not limited to the parcel being redeemed prior to the effective date of the sale.

The Chapter 8 Agreement sale procedure permits eligible public agencies to acquire “Tax Defaulted Subject to Power to Sell” properties pursuant to Section 3791, et seq., of the Revenue and Taxation Code. Once the County has approved the Agreement with the District, it must be sent to the State Controller’s Office for final approval pursuant to Revenue and Taxation Code 3795.

Efforts will be made to contact the owners and parties of interest to inform them of their tax liabilities and the provision for the redemption of the property pursuant to Section 3799 of the Revenue and Taxation Code. Section 3798 of the Revenue and Taxation Code mandates notice of agreements to be published once a week for three (3) successive weeks in a newspaper of general circulation published in the County.

Furthermore, the agreement shall become effective no sooner than 5:01pm on the 21st day after the date of the first published or posted Notice of Agreement pursuant to Revenue and Taxation Code Section 3802.

Fiscal and Facilities Impacts:

Budgeted: No

Special Instructions:

- a. Direct the Clerk of the Board to transmit the original Agreement to Purchase Tax-Defaulted Property and a certified copy of the BOS Resolution to the Treasurer-Tax Collector within five days after the date of the agreement's approval for submission to the State Controller.

Attachments:

1. The Cuyama Valley Recreation District's Application to Purchase.
2. Cuyama Valley Recreation District's Resolution.
3. Agreement to Purchase Tax-Defaulted Property.
4. Notice of Intention to Sell Tax-Defaulted Property.
5. Resolution Approving a Sale by Agreement of Tax-Defaulted Property.
6. Notice of Power to Sell Tax-Defaulted Property.

Authored by:

Bryan Fiebert, Operations Manager

CC: