



**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/Flood  
Control  
**Department No.:** 065/054  
**For Agenda Of:** 10/01/2019  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors and  
Board of Directors, Flood Control and Water Conservation District

**FROM:** Department Harry E. Hagen, CPA, CPFA, CPFO, CFIP, CGIP, ACPFIM,  
Director(s) Treasurer-Tax Collector  
(805) 568-2490

Scott D. McGolpin  
Public Works Director  
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Contact Info: Bryan Fiebert, Operations Manager  
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Thomas D. Fayram, Deputy Public Works Director  
(805) 568-3436

**SUBJECT:** Agreement to Purchase Tax Defaulted Property Subject to the Power to Sell,  
First Supervisorial District

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**County Counsel Concurrence**

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions: That the Board of Supervisors of the County of Santa Barbara:**

- a. Receive and accept the attached Santa Barbara County Flood Control and Water Conservation District Application to Purchase Tax-Defaulted Property from County (Attachment 1); and
- b. Adopt the Resolution Approving a Sale by Agreement of Tax-Defaulted Property (Attachment 2); and

- c. Approve and authorize the Chair to execute an Agreement to Purchase Tax-Defaulted Property with the Santa Barbara County Flood Control and Water Conservation District (Attachment 3); 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.

**That the Board of Directors of the Santa Barbara County Flood Control and Water Conservation District:**

- a. Approve and authorize the Chair to execute an Agreement to Purchase Tax-Defaulted Property for the Santa Barbara County Flood Control and Water Conservation District with The County of Santa Barbara (Attachment 3); and
- b. Approve and authorize the Public Works Director, upon satisfaction of the terms and conditions of the above-described Agreement to Purchase, to execute a Certificate of Acceptance pursuant to California Government Code Section 27281, which will allow for recordation of the deed conveying title; and
- c. 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 Santa Barbara County Flood Control and Water Conservation 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 Application to Purchase Tax-Defaulted Property for Assessor’s parcel number 027-081-013 from the District dated July 2, 2019.

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, 2009, 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 District’s application to purchase, the County began negotiating the purchase agreement with the District.

As stated the Legislative Act 1140, (California Water Code Appendix Chapter 74, Santa Barbara County Flood Control and Water Conservation District Act), the District was formed to "...protect from such flood and storm waters the watercourses, watersheds, harbors, public highways, life and property in said district, ...". The property, and those surrounding, are located within a special flood hazard area. Acquiring this property and preserving the open space will further the District's mission goals of protecting property from such flood and storm waters.

The District and the Treasurer-Tax Collector have agreed on a purchase price of \$10,824.90 for Assessor's parcel number 027-081-013. The amount assumes a December 2019 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 21<sup>st</sup> 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: Yes **Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
South Coast FZ			\$ 10,824.90
State			
Federal			
Fees			
Other:			
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,824.90</b>

**Narrative:**

On August 27, 2019, the Board approved Budget Request Revision (BJE No. 0006531) to increase appropriations in the amount of \$13,000 in the South Coast Food Zone Fund for Capital Assets funded

by a release of Restricted Purposes Fund fund balance. The estimated cost of the property is \$10,824.90; however, the actual cost is determined by the effective date of the purchase.

**Special Instructions:**

- a. Direct the Clerk of the Board to transmit the original Agreement to Purchase Tax-Defaulted Property and two (2) certified copies 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.
- b. The Treasurer-Tax collector will return a fully executed original Agreement to the Clerk of the Board upon return by the State Controller's office.

**Attachments:**

1. Santa Barbara County Flood Control and Water Conservation District Application to Purchase Tax-Defaulted property.
2. Resolution Approving a Sale by Agreement of Tax-Defaulted Property.
3. Agreement to Purchase Tax-Defaulted Property.
4. Notice of Intention to Sell Tax-Defaulted Property.
5. Notice of Power to Sell Tax-Defaulted Property.

**Authored by:**

Bryan Fiebert, Operations Manager

**cc:**