

CONTRACT FOR COLLECTION OF
SPECIAL TAXES and SPECIAL ASSESSMENTS

THIS CONTRACT is entered into this _____ day of _____, 20__, by and between the COUNTY OF SANTA BARBARA, (hereinafter referred to as "COUNTY"), and Western Riverside Council of Governments, a public agency, located in the State of California (hereinafter referred to as "PUBLIC AGENCY").

WHEREAS, California Government Code Section 29304 provides for the COUNTY to collect special taxes and special assessments (collectively referred to as "special assessments") on the COUNTY tax rolls for cities, county, district, or other public corporation, officer, or body who levy special assessments within the County of Santa Barbara. There shall be added to the amount of the special assessment an amount fixed by agreement between the County and PUBLIC AGENCY for each special assessment collected; and

WHEREAS, PUBLIC AGENCY desires that the COUNTY collect and distribute its special assessments; and

WHEREAS, Proposition 218 passed in 1996 added Articles XIII C and XIII D to the California Constitution introduced requirements and constraints on local governments' ability to impose taxes, property-related fees and charges, and assessments for the financing of public facilities and services; and

WHEREAS, Chapter 29 5898.31 of the California Street and Highway Code declares that voluntary contractual assessments are not assessments for the purposes of Articles XIIC and XIID of the California Constitution and PUBLIC AGENCY complies with Chapter 29 5898.10 – 5899.3 of the California Street and Highway Code which provides an alternative procedure for authorizing assessments; and

WHEREAS, it is recognized that special assessments may be levied on a fixed charge or dollar amount basis, determined by applying a special assessment to a specific lot or parcel in a prescribed area; and

WHEREAS, PUBLIC AGENCY may determine that it is in the public interest to utilize the assistance of a third-party consultant/contractor at the sole cost of the PUBLIC AGENCY to prepare and submit special assessments to the COUNTY on PUBLIC AGENCY's behalf;

WHEREAS, PUBLIC AGENCY certifies that it is authorized by law to levy special assessments upon land or real property within the County of Santa Barbara; and

WHEREAS, the parties to this agreement desire to provide for the imposition of a collection fee for fixed charge special assessments, a charge for each special assessments removal from the tax roll due to delinquency, and a charge for correction of errors, ;

NOW, THEREFORE, in consideration of the foregoing, COUNTY and PUBLIC AGENCY hereby agree as follows:

1. That the recitals set forth hereinabove are true and correct.
2. Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by personal delivery or facsimile, or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:
To: COUNTY: Auditor Controller, 105 E Anapamu St, Room 303, Santa Barbara, CA 93101
To: PUBLIC AGENCY: Western Riverside Council of Governments, 4080 Lemon Street,
3rd Floor Annex MS1032, Riverside, CA 92501. Fax: 951-787-7991 Business: 951-955-7985
or at such other address or to such other person that the parties may from time to time designate in accordance with this Notice section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their depositing in the US mail.
3. This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.
4. Provided that PUBLIC AGENCY first notifies COUNTY on or before the 10th day of August of the fiscal year for which PUBLIC AGENCY desires that COUNTY collect PUBLIC AGENCY's special assessments on the COUNTY tax rolls of the Assessor's parcel numbers, and that the amount of each special assessment be so collected, COUNTY shall so collect such listed special assessments for PUBLIC AGENCY. In cases where PUBLIC AGENCY levies a fixed charges special assessment which is to be collected in installments over a period of years, each year the PUBLIC AGENCY shall compute and inform the Auditor-Controller the amount to be collected for the year in which it is to be collected. In cases where PUBLIC AGENCY levies multiple assessments for a parcel, PUBLIC AGENCY shall submit one total assessment per parcel.
5. PUBLIC AGENCY agrees to comply with applicable law authorizing such special assessments and Division 7 Part 3 Chapter 29 of the Streets and Highways Code In doing such, PUBLIC AGENCY

agrees to annually provide a copy of the PUBLIC AGENCY Board's certified Resolution or Ordinance authorizing the fixed charges to be collected on the secured tax bill. Such resolution will reference the underlying code or legal parameters allowing the special assessment levy, the underlying code or legal parameters to place the special assessment on the tax bill, and the "order" to the Auditor-Controller to place the special assessment on the tax bill for the current tax year. PUBLIC AGENCY will also certify that the special assessments comply with applicable law and Chapter 29 of the Streets and Highways Code. PUBLIC AGENCY further agrees to provide any other documentation, such as a certified ballot measure, supporting the authority to levy the special assessment as requested by COUNTY and that without this documentation it is the Auditor-Controller's discretion whether to place the special assessment on the secured tax roll.

6. PUBLIC AGENCY agrees to release and forever discharge the COUNTY and its officials, agents and employees from any and all claims, demands, liabilities, costs and expenses, damages, causes of action, and judgments, in any manner arising out of the PUBLIC AGENCY's responsibility for special assessments. PUBLIC AGENCY further agrees to defend, indemnify and save harmless the COUNTY and its officers, agents and employees ("indemnified parties") from any and all claims, demands, liabilities, costs and expenses, damages, causes of action, and judgments, in any manner arising out of any of the PUBLIC AGENCY's responsibility for special assessments. If any judgment is entered against any indemnified party as a result of action taken to implement this agreement by the COUNTY for the benefit of the PUBLIC AGENCY, the Auditor-Controller may offset the amount of any judgment paid by COUNTY or by any indemnified party from any monies collected by COUNTY on the PUBLIC AGENCY's behalf, including property taxes, special taxes, fees, or assessments. The COUNTY may, but is not required to, notify the PUBLIC AGENCY of its intent to implement any offset.
7. In order to promote and maintain efficient property tax administration PUBLIC AGENCY agrees:
 - a) To respond to taxpayers' inquiries in a timely manner and not refer taxpayers to COUNTY regarding the removal or correction of special assessments.
 - b) To follow all administrative procedures as established by the COUNTY, including, submitting all documents including but not limited to annual certifications and data in the required formats to COUNTY by established deadlines, and providing all requests for removal or correction of special assessments in writing.
 - c) PUBLIC AGENCY is responsible for the validity and accuracy of the amount of the special assessment as well as the assessor parcel number to which it is being charged regardless if such data is submitted by the PUBLIC AGENCY itself or by a third-party consultant/contractor on its behalf.
 - d) For each fiscal year, PUBLIC AGENCY must notify the Auditor-Controller no later than February 15 of that year of any changes or correction to the assessments being charged.

- COUNTY will not be required to collect any assessments which are subject to correction or change for which COUNTY has been notified after that date.
- e) That administrative citations and fines and other charges of this nature will not be placed on the secured roll.
 - f) That special assessments will not be permitted to be placed on the secured tax bills of government owned parcels, other parcels without sufficient assessed values and parcels not appearing on the tax roll. If such special assessments are discovered by COUNTY to be levied by PUBLIC AGENCY, PUBLIC AGENCY gives the Auditor-Controller the authority to remove the special assessment and relieve COUNTY from any further responsibility of collection making PUBLIC AGENCY solely responsible for its collection. Should this situation occur the Auditor-Controller will promptly notify the PUBLIC AGENCY.
 - g) That PUBLIC AGENCY gives the Auditor-Controller the authority to process and handle at his/her discretion special situations and unusual items not addressed elsewhere in this Contract. Such actions may include removal of the special assessment from the tax bill and relieving COUNTY from any further responsibility of collection making PUBLIC AGENCY solely responsible for its collection. Should this situation occur the Auditor-Controller will promptly notify the PUBLIC AGENCY.
8. In order to promote and maintain efficient property tax administration COUNTY agrees:
- a) To timely address questions and issues brought forward by PUBLIC AGENCY.
 - b) To timely process all changes, removal and corrections to special assessments provided such requests are received in writing within stipulated timeframes and follow established procedures.
 - c) To apportion and distribute collected special assessments at the same time as other secured taxes.
 - d) To notify PUBLIC AGENCY of any special situations or unusual items as they arise and to work with PUBLIC AGENCY for timely resolution.
 - e) To provide upon request periodic reports detailing collections and delinquencies of special assessments by parcel after 1st installment (December 10th), 2nd installment (April 10th), and at year-end.
9. If the PUBLIC AGENCY special assessment requires judicial foreclosure, the PUBLIC AGENCY must notify the Auditor-Controller and the Tax Collector of any publicly recorded "Notice of Intent to Remove Delinquent Special Tax Installment from the Tax Roll" notice per Government Code Section 53356.2 and Streets and Highways Code Section 8833. Upon receiving a copy of the recorded notice from the PUBLIC AGENCY, PUBLIC AGENCY gives the Auditor-Controller the authority to and the Auditor-Controller will remove the identified delinquent/defaulted installments from the

delinquent/defaulted secured tax bill. By this process, the PUBLIC AGENCY will relieve the COUNTY of any further responsibility for the collection of these delinquent installments.

10. PUBLIC AGENCY further agrees that all assessments delinquent at the end of the tax year (June 30th) are not eligible for participation in the TEETER plan and give the authority to the Auditor-Controller to remove the delinquent assessment from a tax bill under this Section and the PUBLIC AGENCY will relieve the COUNTY of any further responsibility for the collection of these delinquent installments.

PUBLIC AGENCY further agrees that any charges removed from a tax bill under Section 9 or Section 10 are not eligible to be placed back on the tax bill from which it was removed or on any future tax bills.

11. PUBLIC AGENCY and COUNTY hereby agree that COUNTY will charge One Dollar (\$1.00), subject to adjustment by the County via resolution by the Board of Supervisors, per Assessor's parcel number for each parcel for which such a special assessment is to be collected on the COUNTY tax rolls by COUNTY for PUBLIC AGENCY, all pursuant to said Government Code Section 29304, and that COUNTY may collect such charge by adding it to the special assessment on the COUNTY tax rolls to be collected for each parcel.
12. PUBLIC AGENCY and COUNTY hereby agree that the total annual charge in this Agreement to be paid to the COUNTY will be deducted in two equal parts from the total amounts collected for the special assessments prior to the distribution of the assessments to the PUBLIC AGENCY.
13. PUBLIC AGENCY and COUNTY hereby agree that COUNTY may charge One Hundred Dollars (\$100) for each correction to special assessments requested by PUBLIC AGENCY after extension of the tax roll.
14. PUBLIC AGENCY and COUNTY hereby agree that COUNTY may charge One Hundred Dollars (\$100) for each special assessments removal from the tax roll due to delinquency.
15. PUBLIC AGENCY and COUNTY hereby agree that COUNTY will charge a setup fee of \$200.00 per fund on which special assessments are to be collected for accounting services related to the processing of the special assessments.

16. PUBLIC AGENCY and COUNTY hereby agree that for any other extended services requested by PUBLIC AGENCY, COUNTY may charge a fee sufficient to recover actual costs.
17. PUBLIC AGENCY agrees to waive any right it may have under Government Code section 907 and to protest the deduction of the amounts in Sections 11, , 13, 14 and 15 of this Agreement. PUBLIC AGENCY acknowledges and agrees that COUNTY will not be required to notify PUBLIC AGENCY of its intent to deduct such amounts except by execution of this Agreement.
18. PUBLIC AGENCY shall not assign or transfer this Contract or any interest without the written consent of COUNTY, and any such assignment or transfer or attempted assignment or attempted transfer of this Contract or any interest herein by PUBLIC AGENCY shall immediately and automatically terminate this Contract and this Contract shall thereupon be of no further legal force or effect; and, subject to the above provisions of this paragraph, this Contract shall be binding upon the assigns, transferees, successors and trustees of the parties hereto.
19. All existing agreements between the COUNTY and PUBLIC AGENCY pertaining to the collection of special assessments shall be terminated upon the execution of this Contract. Either party hereto may terminate this Contract at any time for any reason whatsoever by giving the other party at least ninety (90) days' written notice thereof.

IN WITNESS WHEREOF, COUNTY and PUBLIC AGENCY have executed this Contract effective on the day and year first hereinabove set forth.

COUNTY OF SANTA BARBARA:

Mona Miyasato
County Executive Officer
Clerk of the Board

By: _____
Deputy Clerk

By: _____
Chair, Board of Supervisors

Date: _____

RECOMMENDED FOR APPROVAL:

Robert W. Geis, CPA
Auditor-Controller

**WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS:**

By: _____
Department Head

By: Ernie Payne
Authorized Representative

Name: Ernie Payne

Title: Chief Financial Officer

APPROVED AS TO FORM:

Best Best & Krieger
General Counsel

By: [Signature]

APPROVED AS TO FORM:

Michael C. Ghizzoni
County Counsel

APPROVED AS TO FORM:

Ray Aromatorio
Risk Management

By: _____
Deputy County Counsel

By: _____
Deputy

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

CERTIFICATE OF COMPLIANCE

The undersigned represents that he/she is an authorized representative of Western Riverside Council of Governments (the "Authority"), and does hereby certify on behalf of the Authority that:

1. The California HERO Program (the "Program") was established and is duly existing pursuant to Chapter 29 of Part 3, Division 7 of the Streets and Highways Code of the State of California (Section 5898.10 *et seq.*) (the "Act"); and

2. The Program has complied with procedures and requirements set forth in the Act and all applicable laws of the State of California that are necessary to levy the special assessments pursuant to the Program on property located within the County of Santa Barbara.

IN WITNESS WHEREOF, I have hereunto on behalf of the Authority set my hand as of the date set forth above.

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

By: 
Authorized Officer