



## REPORT TO CITY COUNCIL

**TO:** Honorable Mayor and City Council Members

**FROM:** Grant Yates, City Manager

**DATE:** January 14, 2020

**SUBJECT:** Purchase of Three (3) Tax-Defaulted Properties Totaling \$443,222.72  
Assessor Parcel Numbers 363-020-009, 363-090-009 & 363-090-010

### **Recommendation**

Adopt. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, OBJECTING TO THE SALE OF TAX-DEFAULTED PROPERTY KNOWN AS ASSESSOR'S PARCEL NUMBERS (APN'S) 363-020-009, 363-090-009 AND 363-090-010; APPLYING TO THE COUNTY BOARD OF SUPERVISORS, COUNTY TAX COLLECTOR AND TREASURER, AND STATE CONTROLLER TO PURCHASE THE PROPERTY; AND AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE THE AGREEMENT TO PURCHASE TAX-DEFAULTED PROPERTY AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.

### **Background**

The City of Lake Elsinore periodically receives notice from the County of Riverside Tax Collector/Treasurer of tax-defaulted parcels available for purchase. Tax-defaulted parcels can be utilized for a variety of purposes to benefit the City and the general public.

### **Discussion and Analysis**

The subject parcels are contiguous and located north of Interstate I-15, adjacent to the City Landfill, in the Tuscany Hills area.

The subject parcels APNs and purchase prices are as follows:

<u>APN</u>	<u>Purchase Price</u>
363-020-009	\$ 47,266.19
363-090-009	\$197,988.50
363-090-010	\$197,968.03
TOTAL	\$443,222.72

In furtherance of the City's mission to create the ultimate lake destination where all can live, work, and play, build futures and fulfill dreams; the City of Lake Elsinore would utilize these three parcels to implement balanced land use, open space, circulation and economic development opportunities in the City.

## Purchase of Tax-Defaulted Properties

January 14, 2020

Page 2 of 2

In order for the City to enter into an Agreement to Purchase, the County of Riverside Tax Collector/Treasurer requires the following:

- 1) City Council Resolution that includes an offer to purchase, purchase price, legal description, Assessor Parcel Numbers, and specific public purpose of the parcels. In addition, the resolution should include a statement that the costs of giving notice to interested parties and in the newspaper shall be paid by the City.
- 2) Separate City Mission Statement on official City letterhead.
- 3) An Agreement to Purchase Tax-Defaulted Property in such form as provided by the County after receipt of the City Resolution.
- 4) Notice of the Agreement to Purchase Tax-Defaulted property must be given to the parties of interest and the City shall pay the cost.
- 5) Notice of the Agreement to Purchase Tax-Defaulted property must be published in the Press Enterprise at the City's expense.

Often, property owners pay the taxes prior to the sale. Accordingly, acquisition of these tax defaulted parcels is not assured.

### **Fiscal Impact**

Total cost redemption amount of all three parcels is approximately \$443,222.72. The redemption amount may be adjusted to cover interest accrual at 1½% per month and may or may not include all special assessments. Total costs will also include noticing costs to interested parties, and notice in a local newspaper (Press Enterprise).

### **Exhibits**

- A. City Council Resolution
- B. Vicinity Map
- C. Aerial Photo