

AUDITOR/CONTROLLER

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COUNTY OF TULARE

JERRY T. MESSINGER
Auditor-Controller
(559) 733-6345

VERNON MCDONALD, CPA
Assistant Auditor-Controller
(559) 733-6345

AGENDA ITEM

DATE: November 7, 2006

SUBJECT: Amend Terms of Sale to extend effective date of Agreement Sale No. 22315

REQUEST: That the Board of Supervisors:

1. Authorize the Tax Collector to change the effective sale date of Agreement Sale No. 22315, approved by Board of Supervisor Resolution No. 2005-0270 dated 05/17/05; approved by State Controller on 07/14/06. Per the request of Tulare Redevelopment Agency (RDA) extend effective date to 04/07/07.
2. Authorize the Tax Collector to charge additional sale fees up to \$1,000.00 to the RDA for reimbursement of re-notice and re-publishing costs.

SUMMARY: Pursuant to the California Revenue and Taxation Code, the Treasurer/Tax Collector has offered for sale tax-defaulted property referenced on APN 191-350-010-000 and 191-350-011-000. The property has been tax-defaulted since 1986; it is contaminated and will require extensive clean-up. Tulare Redevelopment Agency has requested additional time to consummate the sale due to legal processes required to recover their costs from the last assessee who was responsible for the contamination. The property is located in a prime Tulare commercial district and is overdue for restoration. Tulare Redevelopment Agency wishes to return the property to a revenue producing status.

JUSTIFICATION When five or more years have elapsed since a property became tax-defaulted, the tax collector is empowered to sell any portion or all of that property. The primary purpose for a sale by agreement is to collect the unpaid taxes and to convey the property to a responsible owner. Offering properties for sale achieves these ends by either selling the property or forcing redemption.

FINANCING: Recovered by sale proceeds

ALTERNATIVES: Start over and repeat agreement sale process or offer to public at auction

INVOLVEMENT OF OTHER DEPARTMENTS OR AGENCIES: Application to purchase tax-defaulted property received from Tulare Redevelopment Agency; approved by State Controller and Board of Supervisors

ADMINISTRATIVE SIGN OFF:

Jerry T. Messinger
Auditor-Controller

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF)	
AMEND TERMS OF SALE TO)	RESOLUTION NO.
EXTEND EFFECTIVE DATE OF)	
AGREEMENT SALE NO. 22315)	
)	

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD _____, BY THE
FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: C. Brian Haddix,
ADMINISTRATIVE OFFICER/CLERK
BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

1. Authorized the Tax Collector to change the effective sale date of Agreement Sale No. 22315, approved by Board of Supervisor Resolution No. 2005-0270 dated 05/17/05; approved by State Controller on 07/14/06. Per the request of Tulare Redevelopment Agency (RDA) extend effective date to 04/07/07.
2. Authorized the Tax Collector to charge additional sale fees up to \$1,000.00 to the RDA for reimbursement of re-notice and re-publishing costs.

Tax-defaulted property subject to power to sell pursuant to Chapter 8, Part 6, Division 1 of the California Revenue and Taxation Code.

Purchaser: Tulare Redevelopment Agency

Property: APN 191-350-010-000 and 191-350-011-000

COPY



TO: Board of Supervisors
Attn: Michelle Baldwin
Administration Building
2800 West Burrel Avenue
Visalia, CA 93291

FROM: Betsy McGovern

SUBJECT: Imperial Anchor Pallet Acquisition-Extension of effective closing date

DATE SUBMITTED: 10/3/2006

Michelle-

The attached letter of request is in regards to a purchase that the Board approved May 17, 2005. The effective date of closing on the purchase of this tax-defaulted parcel is October 3, 2006, and the Redevelopment Agency would like to request a 181-day extension, with a revised closing date of April 2, 2007.

There is known contamination on this parcel, and the Agency needs time to complete the appropriate due diligence items, such as a Phase II report and application for remediation funding.

Could you please present this request to the Board for approval? According to the State Controller's office, the Board can approve the extension without further review from the Controller's office.

Please let me know when this item will be on the Board Agenda. I can be reached at bmcgovern@ci.tulare.ca.us or 559.684.4254.

Thank you.

Betsy McGovern
Tulare Redevelopment Agency
Project Manager
411 East Kern Avenue
Tulare, CA 93274
(559) 684-4254



"Revitalizing the Community"

October 3, 2006

Board of Supervisors
Administration Building
2800 West Burrel Avenue
Visalia, CA 93291

Re: Imperial Anchor Pallet Acquisition

Dear Board,

This letter is in regards to the purchase of the Imperial Anchor Pallet property ("Property") APN 191-350-010 and 191-350-011. The Property is currently in tax-defaulted status, and was approved by the Board for sale to the Tulare Redevelopment Agency per Resolution No. 2005-0270 and agreement No. 22315. See attached for reference.

According to the State Controllers Office, the Board of Supervisors can approve an extension to the effective closing date, without additional approval from the State Controller's Office (see attached e-mail dated 10-2-06). The Agency would like to request a 181-day extension (from the current effective closing date of October 3, 2006) with a revised closing date of April 2, 2007. This would allow the Agency enough time to complete the Phase II environmental assessment of the Property, and apply for funding for the remediation of the site contamination. According to the draft Phase I report, there is known contamination on the site that needs further investigation. The Agency agrees to pay the additional cost of sale fees related to the extension, not to exceed \$1,000. The cost of sale fees for the original acquisition were \$528.97.

Currently, the Agency has two funding sources committed to the assessment of the Property. The sources are committed from the Environmental Protection Agency (EPA) and Department of Toxic Substances (DTSC) for a total of \$133,000. The Agency is working with these funders to collaborate on the Phase II assessment, and projects that this testing will be complete by spring 2007.

The Agency is not requesting this extension because of uncertainty regarding purchasing the parcels; this time is needed for further evaluation and also to ensure that we follow the proper due diligence required to research and prepare legal action against those that may be responsible for the contamination. The Agency has every intention of proceeding with the purchase of the property, and hopes to remediate all contamination and sell the site to be developed for industrial, productive, and tax-paying purposes.

Please feel free to contact me with any additional questions at (559) 684-4233. Thank you for your time and consideration on this matter.

Best Regards,

A handwritten signature in black ink, appearing to read 'Bob Nance', is written over a horizontal line.

Bob Nance
Redevelopment Director

BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA

IN THE MATTER OF:

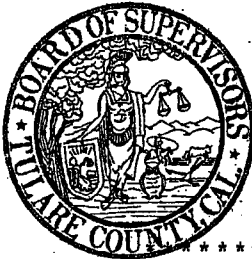
THE TAX COLLECTOR TO OFFER AT
PUBLIC AUCTION TAX-DEFAULTED
PROPERTIES TO RECOVER COSTS

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)

RESOLUTION NO.: 2005-0270
Agreement No. 22315

UPON MOTION OF SUPERVISOR Worthley, AND SECONDED BY
SUPERVISOR Cox, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD May 17, 2005,
BY THE FOLLOWING VOTE:

AYES : Supervisors Ishida, Conway, Cox, Worthley, and Map1
NOES : None
ABSTAIN : None
ABSENT : None



ATTEST: BRIAN HADDIX
ADMINISTRATIVE OFFICER/CLERK
BOARD OF SUPERVISORS

BY: Wm. K. Bush
Deputy Clerk

The Board of Supervisors authorized the Tax Collector to offer for Sale By Agreement to be held October 15, 2005, tax-defaulted property subject to the Power to Sell pursuant to Chapter 8, Part 6, Division 1 of the California Revenue and Taxation Code.

Purchaser: Tulare Redevelopment Agency per Resolution No. 2588

Tax Collector
CAO
Auditor

5/17/05
WKB