

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

Resolution No. 24-15

A RESOLUTION OF THE BOARD OF DIRECTORS
OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
APPROVING A CHAPTER 8 APPLICATION
TO PURCHASE TAX-DEFAULTED PROPERTY APN 223-360-15-00-4

A. Recitals.

(i) By letter dated October 27, 2015, the Kern County Treasurer-Tax Collector notified the district that certain properties within the district were tax defaulted and were subject to be sold at public auction February 22-24, 2016.

(ii) Kern County Treasurer-Tax Collector requested that the district complete a form consenting to the sale of those properties if the district did not object to the sale.

(iii) One of the tax-defaulted properties in the list to be sold is Assessor's Parcel Number 223-360-15-00-4, a 19.46 acre parcel on the northeast corner of Tehachapi-Willow Springs Road and Highline Road.

(iv) APN 223-360-15-00-4 is suitable for a district purpose, and therefore a public purpose, namely the construction of a water recovery well for enhancement of the district's conjunctive use program whereby State Water Project water is imported to Tehachapi Basin and stored in the ground for later recovery and use.

(v) APN 223-360-15-00-4 is located less than 1,000 feet from the district's mainline pipeline; therefore, the property is conveniently located for construction and connection of a recovery water well.

(vi) APN 223-360-15-00-4 is located downstream from Blackburn Dam, a prime recharge site for spreading of imported State Water Project water.

B. Resolution.

1. Each of the preceding factual recitals is true and correct and the Board so finds and determines.

2. The district objects to APN 223-360-15-00-4 being included in the public auction sale to be held February 22-24, 2016.

3. The district wishes to acquire APN 223-360-15-00-4 through the Chapter 8 process (Revenue and Taxation Code Section 3771 et. seq.) and to use the property for the construction of a recovery water well, a public purpose.

4. The district hereby offers to purchase APN 223-360-15-00-4 for the minimum bid amount of \$13,900 plus any additional fees and charges imposed by the County of Kern or the State of California to process and complete the sale.

5. The Board authorizes the general manager to submit an application and execute all other documents necessary to purchase APN 223-360-15-00-4 through the Chapter 8 process.

PASSED, APPROVED and ADOPTED on this 18th day of November, 2015.


David E. Worden, President

ATTEST:


Lori Bunn, Secretary

COUNTY OF KERN

**Application to Purchase Tax-Defaulted Property that is Tax-Defaulted
With the Tax Collector's Power to Sell**

Name of Organization: Tehachapi-Cummings County Water District
(name of the city, county, district, redevelopment agency, or non-profit organization)

Application to Purchase: Currently scheduled for a Chapter 7 Tax Sale

Purpose for Acquiring
Property: _____

List the Property (or Properties) by Assessor's Parcel Number:

<u>223-360-15-00-4</u>	_____
_____	_____
_____	_____
_____	_____
_____	_____

Nonprofit
Organizations Only: _____ Articles of Incorporation Attached

Authorized Signature: _____

Title: _____

Date: _____

Following is a brief outline of the procedures required for purchasing at a Chapter 8 Sale:

**KERN COUNTY TREASURER AND TAX COLLECTOR
POLICY AND PROCEDURES FOR CHAPTER 8
SALE OF TAX DEFAULTED PROPERTY TO STATE, CITY, TAXING AGENCY, OR
REVENUE DISTRICT**

I. PURPOSE

The purpose of tax sales is to collect the unpaid taxes, satisfy unpaid assessments constituting liens against property, and place the property in a tax revenue generating status. Offering tax defaulted property for sale achieves this goal either by collecting the unpaid taxes from the proceeds of the sale or through redemption by the assessee in accordance with the California Revenue and Taxation Code (R&T Code). This policy is to satisfy this primary goal while providing a uniform procedure for state and local agencies to acquire tax-defaulted real property.

II. QUALIFICATIONS AND DOCUMENTATION OF A GOVERNMENTAL AGENCY

A governmental public agency includes taxing agencies, revenue districts, Special Districts, cities, counties, and State agencies.

Documentation required:

The agency must submit to the Treasurer and Tax Collector a letter objecting to the sale (R&T Code Section 3695.5), and a resolution from their governing Board authorizing the purchase of and offering to purchase identified tax defaulted property.

III. ELIGIBILITY OF PROPERTY

All tax-defaulted properties must have a Power to Sell Lien recorded prior to eligibility for consideration for sale to an entity under Chapter 8 and this policy.

The agency must submit to the Treasurer and Tax Collector a letter objecting to the sale (R&T Code Section 3695.5) and a resolution from their governing Board authorizing purchase of and offering to purchase identified tax defaulted property.

IV. PURCHASE AMOUNT

The purchase price offered must be equal to the minimum bid approved and set by the Board for a Chapter 7 sale plus the anticipated County costs of sale. Under no circumstances will the property be sold for less than such a minimum bid price. Costs may include but is not limited to the costs described in subdivisions (a) and (b) of Revenue and Taxation Code Section 4112, subdivision (c) of Section 3704.7, Sections 4672, 4672.1, 4672.2, 4673, and subdivision (b) of Section 4673.2.

V. PURCHASE AGREEMENT

The first agency to submit a letter of objection and resolution/offer to purchase (as provided by Rev. & Tax. 3695.5) to the Treasurer and Tax Collector will be awarded the Chapter 8 sale. The Purchase Agreement will be sent to the agency awarded the Chapter 8 sale.

No later than ten (10) working days after submission of the offer, the entity must submit to the Treasurer and Tax Collector:

One copy of each of the following:

1. An objection letter with indication of date it was submitted to the Tax Collector's Office. *The objection must be made prior to the 1st publication of the Chapter 7 tax sale.
2. A detailed statement of public purpose and/or intended use for *each* parcel
(The State Controller requires a thorough description of how each property will be utilized – it must meet the State's requirement of "public use")
3. Resolution/Official Minutes
4. Agency Mission Statement
5. Completed Purchase Application Form (form provided by Tax Collector)

And, five executed copies of:

6. Agreement to Purchase Tax Defaulted Land including exhibits and supporting documents (Agreement form provided by Tax Collector)

Note: As used in this Policy, "executed" means original signatures and titles of all authorizing officials must appear on **all** copies of the agreement. The signatures of all attestants, their respective titles, and the seals of their individual offices must be included. Photocopies of originals must never be used when an executed document is required.

VI. APPROVAL PROCESS

In accordance with Revenue & Taxation Code sections 3698 and 3795, the Treasurer and Tax Collector will submit the agreement for approval to the following:

- A. Board of Supervisors
- B. California State Controller

VII. NOTIFICATION

The Treasurer and Tax Collector shall, in accordance with Revenue and Taxation Code sections 3796-3799:

- A. Notify owners and parties of interest (R&T Code Section 3799).
- B. Make reasonable effort to contact in person last known assessee if property is considered the primary residence and owner occupied (R&T Code 3704.7).
- C. Publish notice of sale (R&T Code Section 3798).

VIII. REDEMPTION

If not previously terminated, all rights to redeem the property shall be terminated at 5:01 p.m. the day prior to the sale (R&T Code Section 3803).

IX. PAYMENT

The purchaser must pay the purchase price plus costs in full within 14 days from the date of sale. Cash, cashier's check, or wire payment will be accepted as payment. No demand draft checks shall be accepted. If purchaser fails to pay the purchase price within the fourteen (14) days of the date of sale, the right of redemption is automatically restored to the last assessee or his or her successor in interest.

X. DEED

Upon completion of the sale and payment in full, the Treasurer and Tax Collector shall issue a tax deed to the purchaser, expressly made subject to the conditions and restrictions of a Chapter 8 sale and recordation of the rescission of the tax deed if the purchaser fails to satisfy the conditions set out in Revenue and Taxation Code sections 3791.4 or 3793.5 (R&T Code Section 3807.5).

AGREEMENT TO PURCHASE TAX-DEFAULTED PROPERTY

This Agreement made this _____ day of _____, 2016, by and between the Board of Supervisors of Kern County and the Tehachapi-Cummings County Water District ("PURCHASER"), pursuant to the provisions of Division 1, Part 6, Chapter 8 of the Revenue and Taxation Code.

The real property situated within said County, hereinafter set forth and described in Exhibit "A", attached hereto and made part hereof, is tax-defaulted and is subject to the power of sale by the Treasurer-Tax Collector of said county for the nonpayment of taxes, pursuant to provisions of law.

It is mutually agreed as follows:

1. That, as provided by Revenue and Taxation Code §3800 the cost of giving notice of this agreement shall be paid by the PURCHASER, and
2. That the PURCHASER agrees to pay the sum of \$13,900.00, **plus all costs associated with the sale**, for the real property described in Exhibit "A" within fourteen (14) days after the date this agreement becomes effective. Upon payment of said sum to the Treasurer-Tax Collector, the Treasurer-Tax Collector shall execute and deliver a deed conveying title to said property to PURCHASER.
3. That the PURCHASER agrees to use the parcel(s) for public purpose under the following intent:

4. That if said purchaser is a taxing agency as defined in Revenue and Taxation Code § 121 or any other agency that receives its revenue share under the provisions of Division 1, Part 8, Chapter 3 of the Revenue and Taxation Code, it will not share in the distribution of the payment required by the Agreement as defined by §3791 and §3720 of the Revenue and Taxation Code.

If all or any portion of any individual parcel described in this agreement is redeemed prior to the effective date of this agreement, this agreement shall be null and void as to that individual parcel. This Agreement shall also become null and void and the right of redemption restored upon the PURCHASER'S failure to comply with the terms and conditions of this Agreement.

The undersigned hereby agree to the terms and conditions of this agreement and are duly authorized to sign for said agencies.

ATTEST:

(seal)

by: _____

ATTEST:

Kern County Board of Supervisors

Clerk of the Board of Supervisors

by: _____

Chairman

Pursuant to the provisions of Sections 3775 and 3795 of the Revenue and Taxation Code, the State Controller agrees to the selling price as set forth and approves the foregoing agreement this _____ day of _____, 2016.

This Agreement was submitted to me before execution by the Board of Supervisors and I have compared the same with the records of Kern County relating to the real property described therein.

Kern County Treasurer and Tax Collector

Betty T. Yee, State Controller

by: _____

Approved as to form
Office of County Counsel
Kern County

by: _____

date: _____

EXHIBIT 'A'

<u>ATN</u>	<u>DESCRIPTION</u>	<u>YEAR DELINQUENT</u>	<u>RECORDED DEFAULT#</u>	<u>POWER TO SELL DOC#</u>	<u>PRICE</u>
223-360-15-00-4	PM 1614 L 2	2006-2007	06-1153425-00-9	21211-5073	\$13,900.00