



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Melissa Walker, Public Works Director/City Engineer

**AGENDA DATE:** August 6, 2024

**TITLE:** **ADOPTION OF RESOLUTION OBJECTING TO THE SALE OF TAX-DEFAULTED PARCELS AND OFFER TO PURCHASE (REPORT OF: PUBLIC WORKS)**

**TITLE SUMMARY:** Adoption of Resolution 2024-XX objecting to the sale of the tax-defaulted parcels APN 292-032-011 and APN 312-260-017, offering to purchase such properties by submitting an application to the County of Riverside, and finding the acquisition exempt from CEQA

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### Recommendation(s)

That the City Council:

1. Adopt Resolution 2024-XX objecting to the sale of the tax-defaulted parcels (APN 292-032-011 and APN 312-260-017) at a public auction, offering to purchase such properties by submitting a formal offer letter to the County of Riverside Treasury-Tax Collector, and finding the acquisition exempt from CEQA; and
2. Authorize the City Manager or his designee to submit a formal offer to the County of Riverside Treasury-Tax Collector to pursue the purchase of the parcels (APN 292-032-011 and APN 312-260-017) through the Chapter 8 Purchase Agreement process in the amount of \$200,919.70; and
3. Authorize the Public Works Director/City Engineer to take such actions and do such things as may be necessary to effectuate and complete the purchase and accept the parcels (APN 292-032-011 and APN 312-260-017), upon approval of the City Attorney; and

4. Authorize a budget adjustment as set forth in the Fiscal Impact section of this report to provide sufficient funds for the purchase of the parcels (APN 292-032-011 and APN 312-260-017); and

5. Authorize the Chief Financial Officer to execute any additional required budget amendments or allocation documents as needed to effectuate and complete the purchase of the parcels (APN 292-032-011 and APN 312-260-017).

## **SUMMARY**

This report recommends the adoption of Resolution No. 2024-XXX objecting to the sale of the tax-defaulted parcels (APN 292-032-011 and APN 312-260-017) at a public auction, offering to purchase such properties by submitting an application to the County of Riverside, and finding the acquisition exempt from CEQA. This report also recommends the City Council to authorize staff to pursue the purchase of said parcels and complete all documentation, budget adjustment, and sale transaction to complete the purchase. PW General Capital Projects Funds (3002) and the Capital Project Fund (Quimby) (3016) will be used for purchasing these parcels.

## **DISCUSSION**

On November 30, 2023, the City of Moreno Valley submitted an application to the Riverside County Treasurer - Tax Collector (County) to purchase tax-defaulted parcels (APN 292-032-011 and APN 312-260-017). APN 292-032-011 is proposed to be used for public drainage improvements within an existing natural drainage course, and APN 312260017 is intended for expanding the existing Lasselle Sports Park to the south for public recreational use.

On July 10, 2024, the County confirmed receipt of the application and specified that the City of Moreno Valley may acquire these parcels through a Chapter 8 Agreement to Purchase Tax-Defaulted Property. A Chapter 8 sale allows qualified public agencies to acquire tax defaulted properties at the minimum bid amount set by the County Tax Collector without the necessity of a public auction. The County requires a Resolution from the City Council stating that the City objects to the public sale of said parcels, an offer to purchase the properties, and a statement that the costs of giving notice shall be paid by the City.

The purchase prices for said parcels were determined according to Section 3793.1 of the California Revenue and Taxation Code and the Riverside County Office of the Treasurer-Tax Collector policy number C-8. On the effective date of the sale, the final cost will be confirmed. The anticipated purchase price is \$200,919.70 for both parcels.

The acquisition of these parcels for construction of flood control/drainage improvements and for creation of open public space park is exempt under the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15308, Class 8 - Actions by Regulatory Agencies for Protection of the Environment; CEQA Guidelines Section 15304, Class 4(b) - Minor Alterations to Land; and CEQA Guidelines Section 15332, Class 32 - Infill developments.

Following additional notice, The Press Enterprise newspaper will publish details of the agreement. Once all acquisition steps are completed by the County and if the property remains unredeemed or unremoved for legal reasons, the City will receive correspondence requesting payment within 14 days of the Agreement's effective date.

**ALTERNATIVES**

1. Approve and authorize the recommended actions as presented in this staff report. *Staff recommends this alternative because it will allow the City to accept the tax-defaulted parcels.*
2. Do not approve and do not authorize the recommended actions as presented in this staff report. *Staff does not recommend this alternative because it will result in unacquired tax-defaulted parcels that cannot be utilized for improvements.*

**FISCAL IMPACT**

The APN 292-032-011 property purchase will be funded by the Capital Improvement Project, Sunnymead Master Drainage Plan - Storm Drain Lines F and F-7, using PW General Capital Projects Funds (3002). The purchase will be allocated to GL Account 3002-70-77-80004-720128. The APN 312-260-017 property purchase will be funded by the Parks and Community Services Department, Capital Project Fund (Quimby) (3016). The proposed budget adjustment will allow Quimby In-Lieu Park Fees funds to be available for use of this purchase. There is no impact to the General Fund.

Description	Fund	GL Account No.	Type (Rev/Exp)	FY 24/25 Budget	Proposed Adjustments	FY 24/25 Amended Budget
CIP	2019	2019-99-99-92019-903016	Exp	\$128,000	\$62,775	\$190,775
CIP	3016	3016-99-99-93016-802019	Rev	\$128,000	\$62,775	\$190,775
CIP	3016	3016-50-57-80007-720199 Project No. 807 0063-3016-99	Exp	\$0	\$62,775	62,775

**NOTIFICATION**

Publication of agenda.

**PREPARATION OF STAFF REPORT**

Prepared By:  
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Senior Engineer

Department Head Approval:  
Melissa Walker, P.E.  
Public Works Director/City Engineer

Concurred By:  
Harold Zamora, P.E.  
Engineering Division Manager/Assistant City Engineer

Concurred By:  
Quang Nguyen, P.E.  
Capital Projects Principal Engineer

**CITY COUNCIL GOALS**

Community Image, Neighborhood Pride and Cleanliness: Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

Public Facilities and Capital Projects: Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Public Safety: Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

### **CITY COUNCIL STRATEGIC PRIORITIES**

- 1. Economic Development**
- 2. Public Safety**
- 3. Library**
- 4. Infrastructure**
- 5. Beautification, Community Engagement, and Quality of Life**
- 6. Youth Programs**

### **Attachments**

Location Map\_APN 292-032-011  
Location Map\_APN 312-260-017  
Resolution 2024-XX

## Report Approval Details

Document Title:	STAFFREPORT_24-0496_PW_CP_TAX_DEFAULT_PURCHASE.docx
Attachments:	- RESOLUTION_OBJECTION TO PURCHASE_TAX_DEFAULTED_PARCELS.docx - Location Map_APN 292-032-011.pdf - Location Map_APN 312-260-017.pdf
Final Approval Date:	Jul 31, 2024

This report and all of its attachments were approved and signed as outlined below:

Patty Rodriguez

Melissa Walker

Sean Kelleher

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