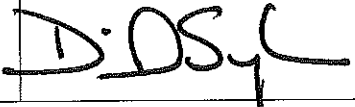


CITY COUNCIL ACTION REQUEST

Department(s): Office of Economic Development	CEQA: Not a Project, File No. PP17-003, Agreements/Contract (New or Amended) resulting in no physical changes to the environment.	Coordination: City Attorney's Office and City Manager's Budget Office	Dept. Approval: /s/ Kim Walesh
Council District(s): 4			CMO Approval: 

SUBJECT: APPROVAL OF THE SALE OF TWO PRIVATE TAX-DEFAULTED PROPERTIES FROM SANTA CLARA COUNTY TO THE SANTA CLARA VALLEY WATER DISTRICT

RECOMMENDATION:

Adopt a resolution approving the purchase price of \$58,500 for the sale of two private tax defaulted properties from Santa Clara County (County) to the Santa Clara Valley Water District (District) to better support flood protection and public access related to the Guadalupe River and Bay Trail, as mandated under the Revenue and Taxation Code, and authorizing the City Manager or his designee to execute all documents necessary to complete the transaction.

BASIS FOR RECOMMENDATION:

The two properties in Alviso, identified as APN's 015-01-013 and 015-02-007, are owned by the Blue Whale Sailing School and have become available for purchase through the County's tax defaulted property process. On September 15, 2017, the District submitted an application to the County to purchase the two tax defaulted properties. On April 3, 2018, the County provided the District with agreements to purchase the two properties. The two properties are part of an existing levee system that is managed by the District and is adjacent to property currently owned by the District. At the top of the levee across the properties there is a trail that is open for public use. Given their current use and proximity to the Guadalupe River the properties cannot be developed and therefore have a minimal market value.

California Revenue and Taxation Code Section 3775 requires that the governing body in which any city such property may be located, the County Board of Supervisors, and the State Controller shall agree upon the price of the property that will be sold. The District is interested in the purchase of two properties located in Alviso which is within the jurisdiction of the City of San Jose to better support flood protection and public access related to the Guadalupe River and Bay Trail in the Alviso neighborhood area.

The County requires that the District approve the purchase of these properties by resolution before the County Board of Supervisors will grant approval. In addition, the City is required to approve the purchase price by a resolution of the San Jose City Council since the properties are within the City of San Jose. The County has prepared two Agreements to Purchase tax defaulted Properties (the "Agreements") outlining the terms of the purchase including the final price for the 2 properties for \$58,500. Accounting for the State Controller's Office processing time, the County estimates the date of actual transaction to occur on December 28, 2018. Staff have reviewed the agreements and recommend that the City approve the purchase price of \$58,500 as determined between the County and the District pursuant to California Revenue and Taxation Code Section 3775.

COST AND FUNDING SOURCE:

There are no cost implications to complete the transfer of the properties.

FOR QUESTIONS CONTACT: Nanci Klein, Assistant Director, OED 535-8184