

# **STAFF REPORT REGULAR MEETING**

**AGENDA DATE:** June 3, 2025

**DEPARTMENT:** City Manager

**TITLE:**

First Amendment to Interlocal Agreement between the City and the Community Redevelopment Agency regarding foreclosure of properties

**SUMMARY:**

First Amendment to Interlocal Agreement between the City and the Community Redevelopment Agency regarding foreclosure of properties within the Community Redevelopment Area that are subject to a City lien.

**BACKGROUND AND JUSTIFICATION:**

On October 30, 2018, the City and the Community Redevelopment Agency (CRA) entered into an Interlocal Agreement whereby the City assigned to the CRA its rights to foreclose on properties within the CRA that are subject to a City code enforcement lien. Since that time, the CRA has pursued foreclosure on some but not all of the properties identified for foreclosure by the City. Since the City has assigned its foreclosure rights to the CRA, the City is unable to pursue foreclosure on properties within the Community Redevelopment Area when the CRA opts not to pursue.

The First Amendment proposes to assign the City's foreclosure rights to the CRA on a case by case basis instead, which allows the City the opportunity to foreclose on a property when the CRA has no interest in doing so. The First Amendment also clarifies the procedures between the parties when foreclosure by the CRA is successful.

The costs associated with pursuing foreclosures will be discussed during the upcoming Fiscal Year 2026 budget process as the City's funding for foreclosure is limited.

**MOTION:**

Move to approve/disapprove the First Amendment to Interlocal Agreement with the CRA regarding Foreclosure of Properties.

**ATTACHMENT(S):**

Fiscal Impact Analysis-N/A  
First Amendment  
Interlocal Agreement