



use of real property assets of the former Redevelopment Agency of the City of Riverside. In the Plan, the Successor Agency recommended the sale of the surface parking lot, located at 3747 Mission Inn Avenue, formerly identified as APN's 213-222-009 and -013, now identified as Assessor's Parcel Number (APN) 213-222-020 (Property). The Oversight Board approved the Plan on February 27, 2014 and the State Department of Finance subsequently approved the same on March 6, 2014.

### **DISCUSSION:**

Staff had the Property appraised by an independent third party appraiser, which concluded to a value of \$60,000. Staff agrees that this amount represents the current fair market value for the Property. The Successor Agency is requesting authorization to execute a Purchase and Sale Agreement (Agreement) for the disposition of the Property to Raincross Development Company, LLC and Regional Properties, Inc. (Buyer) for the appraised value of \$60,000 to facilitate the development of the adjacent Stalder Building.

With this purchase, Buyer will take possession of the Property subject to the following conditions:

- 1) The existing Lease Agreement between the Redevelopment Agency and Riverside Commercial Investors – Loring L.P. (Loring). On November 5, 1991, the Redevelopment Agency entered into an Owner Participation Agreement with Loring in connection with the acquisition and rehabilitation of the Loring Building, located at the northwest corner of Mission Inn Avenue and the Main Street pedestrian mall (Loring Building). On August 11, 1992, the Redevelopment Agency and Loring entered into a Lease Agreement relating to the Property, whereby Loring would construct, maintain, and lease 25 parking spaces from the Redevelopment Agency. On September 23, 2002, to facilitate development of the vacant land north of the Loring Building, the Redevelopment Agency approved a purchase and sale agreement with Charles and Naomi Avila on the disposition of a portion of APN 213-222-008. Subsequently, the Avila's incorporated approximately 3,527 square feet of APN 213-222-008 into the previously owned APN 213-222-015 for the construction of the Tamale Factory, leaving the remainder of APN 213-222-008 as an outdoor public walkway and alley. On October 15, 2002, the Redevelopment Agency approved the First Amendment to the Lease Agreement with Loring on the required reconfiguration of the Property in order to accommodate the development of the Tamale Factory. As a result, there are currently 22 parking spaces. The Lease Agreement expires on November 17, 2020. To facilitate development of the Stalder Project, Buyer will work with Loring to provide replacement parking spaces at fair market value.
- 2) The existing Easement for access to the trash enclosure is currently located behind the Stalder Building. On September 8, 2003, the Redevelopment Agency granted an Easement to Loring, which provides Loring access to the trash enclosure behind the Agency-owned Stalder Building. On September 14, 2004, the Redevelopment Agency entered into a Conditional Right of Entry with Charles and Naomi Avila, granting the Avila's the right to enter into the Property to remove the existing trash enclosure and construct a new trash enclosure behind the Stalder Building to accommodate both the Tamale Factory and Loring Building. To facilitate the development of the Stalder Plaza, Buyer has agreed to provide both the Tamale Factory and Loring Building access to a trash enclosure upon completion of the Stalder Plaza project.
- 3) The existing Easement for right-of-way, utility and alley purposes. The Property also serves as an alley and currently has an easement for right-of-way, ingress and egress

and incidental utility purposes. As such, the Buyer has agreed to grant a new easement to the City for right-of-way, ingress and egress and incidental utility purposes to replace the existing easement which will be necessary to re-align the alley to accommodate the construction of the new Stalder Plaza project.

To facilitate the development of the adjacent Stalder Building, staff recommends that the Oversight Board adopt the attached resolution authorizing execution of the attached Agreement with Raincross Development Company, LLC and Regional Properties, Inc. for the disposition of the Property for \$60,000 in accordance with the Successor Agency's Long Range Property Management Plan.

Prepared by: Emilio Ramirez, Development Director  
Approved as to form: Gary G. Geuss, Successor Agency General Counsel

Attachments:

1. Site Map
2. Resolution
3. Purchase and Sale Agreement