

# City Council Memorandum

City of Arts & Innovation

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**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: OCTOBER 27, 2020**

**FROM: COMMUNITY & ECONOMIC DEVELOPMENT      WARD: 4**  
**DEPARTMENT**

**SUBJECT: PURCHASE AND SALE AGREEMENT WITH KVM PARTNERS, LLC FOR THE**  
**SALE OF APPROXIMATELY 4,255 SQUARE FEET OF VACANT CITY-OWNED**  
**LAND LOCATED AT THE INTERSECTION OF VIA VISTA AND WEST VIEW**  
**DRIVES FOR THE SALE PRICE OF \$28,500 – DECLARE AS EXEMPT**  
**SURPLUS LAND**

## **ISSUE:**

Declare vacant City-owned land located at the intersection of Via Vista and West View Drives, bearing Assessor's Parcel Number (APN) 252-052-010, also known as Lot F, as exempt surplus land and approve the Purchase and Sale Agreement with KVM Partners, LLC for the sale price of \$28,500.

## **RECOMMENDATIONS:**

That the City Council:

1. Declare vacant City-owned land located at the intersection of Via Vista and West View Drives, bearing APN 252-052-010, also known as Lot F, as exempt surplus land based on the written findings contained in this staff report;
2. Approve the Purchase and Sale Agreement with KVM Partners, LLC for the sale of approximately 4,255 square feet of vacant City-owned land for the sale price of \$28,500; and
3. Authorize the City Manager, or his designee, to execute the Agreement, including making minor and non-substantive changes, and to sign all documents and instruments necessary to complete this transaction.

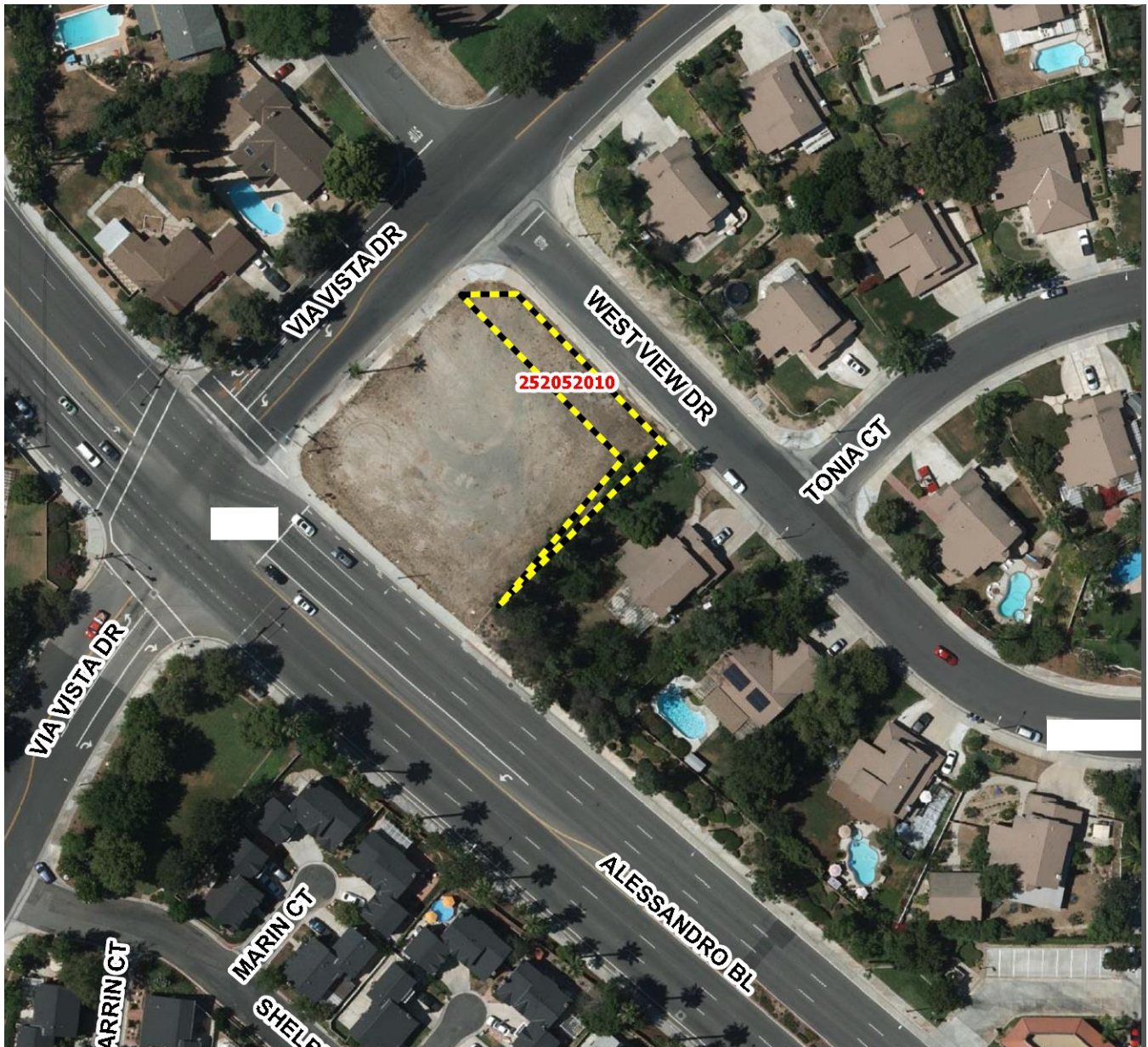
## **BACKGROUND:**

On May 22, 1987, Lot F was created by Tract 21679-1 and recorded in Book 169, Pages 12-15 of Maps, Records of Riverside County, California. Vista Meadows, the developer of the tract, conveyed Lot F to the City simultaneously with the recording of the tract map under instrument

number 1987-143860. Lot F is a lettered lot since it does not meet the size and shape requirements for development. The Public Works Department has no need for this remnant parcel for street right-of-way.

**DISCUSSION:**

On April 7, 2020, KVM Partners, LLC, owner of the adjacent vacant land located at the intersection of Allesandro Boulevard and Via Vista Drive, contacted City staff regarding the proposed sale of Lot F, APN 252-052-010, for their residential development project. The subject property is an irregularly flag-shaped parcel that is less than 5,000 square feet and has access either from Via Vista or West View Drives, is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes, and would be sold to an adjacent property owner. The map below depicts the parcel.



State Assembly Bill 1486 (AB 1486) was adopted on October 9, 2019 requiring public agencies to follow the Surplus Property Law, Government Code 54220 et. seq., for disposing of surplus property. Pursuant to Government Code Section 54221(e)(2), due to the size being less than 5,000 square feet, the subject property may be declared exempt surplus land and sold to an owner of contiguous land. In this case, the subject property is City-owned and has been determined no longer necessary for the City's use.

KVM Partners, LLC is the owner of the adjacent vacant land to the southwest of the subject property, identified as APN 252-052-012. Staff had the subject City owned property appraised by an independent third-party appraiser, which concluded to a value of \$28,500. KVM Partners, LLC accepted the appraised value for the subject property and the terms of the attached Purchase and Sale Agreement. KVM Partners, LLC intends to merge the City's parcel into their adjacent vacant land and construct a residential development project.

The basic terms of the Agreement provide for a 90-day escrow period in which KVM Partners, LLC has a 30-day due diligence period to review the condition of the property and submit an application to the Planning Division for project design review of the proposed residential development project. A \$1,000 deposit is due within 15 days of the Effective Date of the mutual execution of the Agreement.

Staff has reviewed and determined that the sale price of \$28,500 for the subject property represents the current fair market value for the property and recommends entering into the Purchase and Sale Agreement. The Buyer shall be responsible for obtaining any project development entitlements at its sole cost and expense.

The Public Works Director concurs with the recommendations in this report.

**FISCAL IMPACT:**

The subject property is City-owned and is being sold for \$28,500 less all title, escrow, and miscellaneous related closing costs for a total not to exceed \$5,000. The estimated net proceeds from the sale in the amount of \$23,500 shall be deposited into the General Fund Sale of Land and Buildings Account Number 0000101-380010.

Prepared by: David Welch, Community & Economic Development Director  
Certified as to availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer  
Approved by: Rafael Guzman, Assistant City Manager  
Approved as to form: Gary G. Guess, City Attorney

Attachment: Purchase and Sale Agreement – Lot F