



*City of Arts & Innovation*

# City Council Memorandum

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**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: OCTOBER 25, 2022**

**FROM: COMMUNITY & ECONOMIC DEVELOPMENT      WARD: 1**  
**DEPARTMENT**

**SUBJECT: DECLARE VACANT CITY-OWNED LAND ADJACENT TO 1459 AND 1535 WEST LA CADENA DRIVE BETWEEN KNOLL WAY AND SPRING GARDEN STREET AS EXEMPT SURPLUS LAND AND APPROVE PURCHASE AND SALE AGREEMENT WITH GREENS LA CADENA, LLC FOR THE SALE OF APPROXIMATELY 6,279 SQUARE FEET OF VACANT CITY-OWNED RIGHT-OF-WAY FOR A SALE PRICE OF \$6,900**

**ISSUES:**

Declare the vacant City-owned land adjacent to 1459 and 1535 West La Cadena Drive between Knoll Way and Spring Garden Street as exempt surplus land and approve the Purchase and Sale Agreement with Greens La Cadena, LLC for the sale of approximately 6,279 square feet of vacant City-owned right-of-way for a sale price of \$6,900.

**RECOMMENDATIONS:**

That the City Council:

1. Declare the vacant City-owned land located adjacent to 1459 and 1535 West La Cadena Drive, between Knoll Way and Spring Garden Street, as exempt surplus land based on the written findings contained in this staff report;
2. Approve the Purchase and Sale Agreement with Greens La Cadena, LLC for the sale of the approximately 6,279 square feet of vacant City-owned right-of-way for the sale price of \$6,900; and
3. Authorize the City Manager, or his designee, to execute the Purchase and Sale Agreement, including making minor and non-substantive changes, and sign all documents and instruments necessary to complete the transaction.

**BACKGROUND:**

On February 1, 2007, City-owned land located adjacent to 1459 and 1535 West La Cadena Drive, between Knoll Way and Spring Garden Street (Property) was relinquished by Caltrans to

the City of Riverside (City) as excess right-of-way not required for street or highway purposes. The realignment of La Cadena Drive resulted in surplus right-of-way of 6,279 square feet along the easterly side of two vacant properties located at 1459 and 1535 West La Cadena Drive.

On May 17, 2022, City Council approved Resolution No. 23854 providing for the Summary Vacation (Planning Case SD-2022-00005) of approximately 6,279 square feet of excess right-of-way located adjacent to 1459 and 1535 West La Cadena Drive between Knoll Way and Spring Garden Street.

## **DISCUSSION:**

The Property is zoned Northside Specific Plan – Freeway Mixed Use. Overland Development Company submitted a proposal to summarily vacate and City Council approved the Summary Vacation on May 17, 2022. The summary street vacation was deemed exempt from the provisions of the California Environmental Quality Act pursuant to Section 15061 (b) (3) of the Guidelines for Implementation of the California Environmental Quality Act (Title 15, California Code of Regulations, commencing with Section 15000).

Section 8334 of the Streets and Highways Code provides that the legislative body of a local agency may summarily vacate the property that is excess right-of-way and not required for street or highway purposes. For the Property, access to the adjoining properties and public service easements are not affected by the approved Summary Vacation. In addition, no public funds have been expended to maintain the right-of-way within the last five years.



Figure 1- Property - Aerial

The City's Administrative Manual, Section 08.003.00, Disposition and Sale of City-Owned Real Property, states that property that is exempt from the surplus sale process must meet the following criteria:

1. The sale must be a contiguous owner; and
2. The following must apply:

- a. Has no record access and is less than 10,000 square feet;
- b. Is less than 5,000 square feet; or
- c. Is less than the minimum lot size for residential building or is 5,000 square feet, whichever is less.

To sell the exempt surplus property, the City Council will need to make the determination the exempt surplus lot is undevelopable and excess real property. Because of its size and configuration, 6,279 square feet, the Property meets the criteria and can be offered for sale as exempt surplus land.

Staff had the Property appraised by an independent third-party appraiser, who identified a value of \$6,900. Staff reviewed the report and determined that the sale price of \$6,900 represents the current fair market value. Greens La Cadena, LLC (Buyer) accepted the appraised value and the terms of the Purchase and Sale Agreement.

The basic terms of the Agreement provide the Buyer with a 45-day due diligence period to review the conditions of the property and submit an application to the Planning Division for project design review of the proposed development. A \$500 deposit is due within 15 days of the effective date of the mutually executed Agreement. The Buyer will be responsible for obtaining any project development entitlements at its sole cost and expense.

The Public Works Department has indicated they have no need for this remnant and the Public Works Department Director concurs with the recommendations in this report.

### **STRATEGIC PLAN ALIGNMENT:**

This item contributes to **Strategic Priority 6 – Infrastructure, Mobility & Connectivity** and **Goal 6.2:** Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

The exempt surplus disposition and Purchase and Sale Agreement aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust:** Recommending that the City Council approve of the disposition of exempt surplus land and the Agreement conforms with City standards and is transparent in the public process and procedures.
2. **Equity:** Recommending City Council approval of the disposition of exempt surplus land and the Agreement demonstrates equitable fair market values while enhancing public funds through growth and accountability.
3. **Fiscal Responsibility:** Recommending City Council approval of the disposition of exempt surplus land demonstrates that Riverside works diligently within the community's public perception of the City and generates income for secondary use of their land at fair market values.
4. **Innovation:** Recommending City Council approval of the disposition of exempt surplus land and the Agreement demonstrates that the City is innovative and collaborative, working in concert with developers in generating new income through growth and development.

5. **Sustainability & Resiliency:** Recommending City Council approval of the disposition of exempt surplus land and the Agreement will ensure the current and future reliability, resiliency, and sustainability of surplus lands and its impact on community development and future needs of its citizens.

**FISCAL IMPACT:**

The total fiscal impact is estimated to be \$6,900 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 \$6,900 shall be deposited into the General Fund, Public Works-City Engineering, Sale of Land & Buildings account 4115000-380010.

Prepared by: Chris Christopoulos, Acting Community & Economic Development Director  
Certified as to availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/Treasurer  
Approved by: Rafael Guzman, Assistant City Manager  
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Purchase and Sale Agreement
2. Presentation