



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: AUGUST 2, 2022**

FROM: COMMUNITY & ECONOMIC DEVELOPMENT **WARD: 5**
DEPARTMENT

SUBJECT: DECLARE THE VACANT CITY-OWNED LAND AT THE CORNER OF VAN BUREN BOULEVARD AND ANDREW STREET EXEMPT SURPLUS LAND AND APPROVE THE PURCHASE AND SALE AGREEMENT WITH SUNEET SIDHU FOR THE SALE OF APPROXIMATELY 4,436 SQUARE FEET FOR THE SALE PRICE OF \$30,000

ISSUE:

Declare the vacant City-owned land located at the intersection of Van Buren Boulevard and Andrew Street, identified as assessor's parcel number 233-061-005, as exempt surplus land, and approve the Purchase and Sale Agreement with Suneet Sidhu for the sale price of \$30,000.

RECOMMENDATIONS:

That the City Council:

1. Declare the vacant City-owned land located at the intersection of Van Buren Boulevard and Andrew Street, identified as Assessor's Parcel Number 233-061-005, as exempt surplus land based on the written findings contained in this staff report;
2. Approve the Purchase and Sale Agreement (Attachment 1) with Suneet Sidhu for the sale of approximately 4,436 square feet of vacant City-owned land for the sale price of \$30,000; and
3. Authorize the City Manager, or designee, to execute the Purchase and Sale Agreement, including making minor and non-substantive changes and signing all documents and instruments necessary to complete this transaction.

BACKGROUND:

On June 9, 1998, City Council approved the widening of Van Buren Boulevard, between Indiana Avenue and Magnolia Avenue, to five lanes to address traffic congestion and continued rapid growth. The project realigned Andrew Street between McKenzie Street and Van Buren Boulevard. The new alignment of Andrew Street resulted in a surplus right-of-way of approximately 4,436

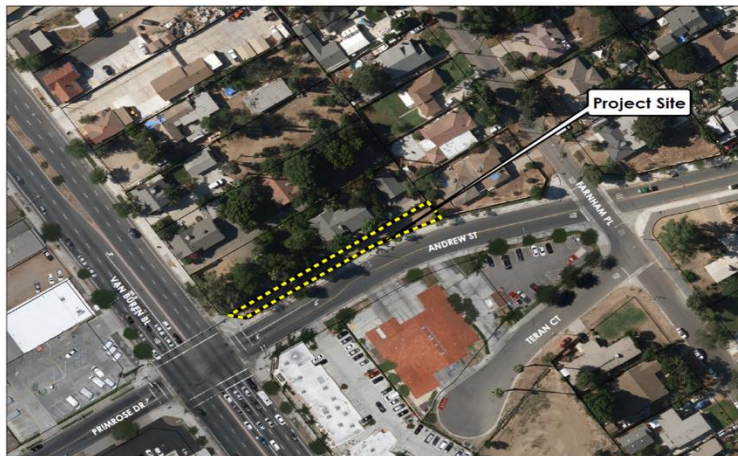
square feet on the north side of Andrew Street. The realignment project has been completed and the Public Works Department has declared the subject property to be surplus land.

Originally enacted in 1968, the Surplus Land Act requiring all local agencies to prioritize affordable housing when disposing of surplus land. In 2014, the Surplus Land Act was amended to define a qualified proposal, prioritize proposals that encourage the most units at the deepest affordability, and provide more realistic timeframes to make and negotiate offers. On October 9, 2019, State Assembly Bill 1486 (AB 1486) was adopted and requires 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), if: 1) the lot size is less than 5,000 square feet, or less than the minimum legal building lot size for the jurisdiction in which the parcel is located; and 2) the vacated portion of excess right-of-way is not required for street or highway purposes, 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, under 5,000 square feet and has been determined to be no longer necessary for the City's use.

DISCUSSION:

On April 1, 2020, Suneet Sidhu the adjacent property owner to the north of the excess right-of-way, contacted City staff regarding the proposed sale of the excess right-of-way, APN 233-061-005, to assemble with her property at 3605 Van Buren Boulevard. The area to be vacated is a narrow strip of land that is a remnant from the Van Buren Boulevard street widening and is undevelopable. The parcel is zoned Commercial Retail – Specific Plan (CR-SP) The General Plan designation is Mixed Use Village (MU-V).



On April 6, 2021, City Council adopted and approved the Resolution for Summary Street Vacation for the segment of Andrew Street consisting of approximately 4,436 square feet of excess right-of-way. A public utility easement will be retained for the electrical transformer that is located within the subject right-of-way.

Staff had the City-owned property appraised by an independent third-party appraiser, which concluded a value of \$30,000 in its as-is condition. Staff has reviewed and determined that the sale price of \$30,000 for the subject property represents the current fair market value for the subject property. Ms. Suneet Sidhu accepted the appraised value for the subject property and the terms of the Purchase and Sale Agreement (Attachment 1).

The basic terms of the agreement provide for a 90-day escrow period in which the Buyer shall

have a 30-days due diligence period to review the physical and environmental conditions of the property and any other matters affecting the property. Per the agreement, the Buyer will be responsible for all costs and half of the escrow fees associated with this transaction. There are no broker fees associated with this transaction. The Buyer shall be responsible for obtaining any project development entitlements at its sole cost and expense.

STRATEGIC PLAN ALIGNMENT:

This item contributes to the Envision Riverside 2025 City Council **Strategic Priority 5 – High Performing Government** and **Goal 5.4:** Achieving and maintaining financial health by addressing gaps between revenues and expenditures and aligning resources with strategic priorities to yield the greatest impact.

The item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The City negotiated this transaction with transparency and in good faith. Approving the Purchase and Sale Agreement in an open meeting demonstrates that the City is transparent and committed to community trust and makes decisions that serve the public interest.
2. **Equity** – The City demonstrates its commitment to ensuring that all community members have equal access to the benefits of the proposed transaction by ensuring that the subject property is developed, and its value maximized which is necessary to promote growth and provide equitable economic benefits throughout the immediate area.
3. **Fiscal Responsibility** – The subject property is currently vacant and underutilized. The disposition of the property ensures the responsible management of the City's financial resources in a manner consistent with prudent stewardship while facilitating beneficial investment in the City of Riverside.
4. **Innovation** – Declaring the subject property as exempt surplus land demonstrates that Riverside is creative and timely in meeting the community's changing needs and prepares for the future through collaborative partnerships and adaptive processes.
5. **Sustainability & Resiliency** – Declaring the property exempt surplus land ensures present and future reliability, resiliency, and sustainability for this City-owned property.

FISCAL IMPACT:

The total fiscal impact of this action is \$30,000. The subject property is City-owned and is being sold for \$30,000 less all title, escrow, and miscellaneous related closing costs for a total not exceeding \$4,000. The estimated net proceeds from the sale in the amount of \$26,000 shall be deposited into the Measure A Capital Outlay Fund, Sale of Land & Buildings revenue account no. 0000432-380010.

Prepared by: Chris Christopoulos, Acting Community & Economic Development
Director

Certified as to

availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City 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