



**PURCHASE, SALE AND DEVELOPMENT AGREEMENT WITH  
CIRCLE CITY INVESTMENT GROUP FOR THE SALE OF  
APPROXIMATELY 10,637 SQUARE FEET OF VACANT CITY-  
OWNED LAND FOR THE SALE PRICE OF \$95,000**

Community & Economic Development Department

**City Council**  
June 6, 2023

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## BACKGROUND

1. Enacted in 1968, the Surplus Land Act requires all local agencies to prioritize affordable housing when disposing surplus land.
2. On April 15, 1991, City Council approved the purchase price for the acquisition of Assessor Parcel Number 190-067-037 required for the Adams Street Extension Project.



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## BACKGROUND

3. In 2014, the State amended the Surplus Land Act to define better what constitutes a qualified proposal, prioritize proposals to encourage the most units at the deepest affordability, and provide more realistic timeframes to make and negotiate offers.
4. On December 18, 2018, City Council approved the surplus of the subject property located on Clifton Boulevard divided to the southwest by Essex Street and authorized the marketing and sale of the Property at fair market value per the City's Administrative Manual Section 08.003.00 for the Disposition and Sale of City-Owned Real Property.



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## DISCUSSION

1. The Property is a remnant parcel from the Adams Street Extension Project. The consultant, Circle City Investment Group, proposes to construct a single-family residence at the site. The proposed construction is in keeping with the general plan and will stabilize and revitalize the neighborhood.
2. An independent third-party appraiser provided an appraisal that concluded a value of \$95,000 in its as-is condition. Staff reviewed the report and determined that the sale price of the subject property represents the current fair market value.



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## DISCUSSION

3. Basic terms:
  - a) 180-day escrow period in which the Buyer shall have 30 days to perform its due diligence.
  - b) There are no broker fees
  - c) Buyer shall be responsible for obtaining any project development entitlements at its sole cost & expense.
  - d) Buyer will be responsible for all costs associated with obtaining title and half of the escrow fees of this transaction.



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## SUBJECT PROPERTY

1. Zoned - R-1-7000
2. General Plan Designation - Medium Density Residential
3. Is currently vacant.
4. 10,637 square feet



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## STRATEGIC PLAN ALIGNMENT

### Strategic Priority No. 5 – High Performing Government

**Goal No. 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.

#### Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability &  
Resiliency



Equity



Innovation



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## RECOMMENDATIONS

That the City Council:

1. Approve the Purchase, Sale and Development Agreement with Circle City Investment Group for a portion of vacant City-owned land bearing Assessor's Parcel Number 190-067-037 for the sales price of \$95,000; and
2. Authorize the City Manager, or designee, to execute the agreement, including making minor, non-substantive changes, and to sign all documents necessary to complete the transaction.



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