

# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** SEPTEMBER 26, 2016

**ITEM NO:** 7

**SUBJECT:** APPROVAL OF PROPERTY SURPLUS DECLARATION AND PURCHASE AND SALE AGREEMENT FOR THE DISPOSITION OF A PORTION OF RIVERSIDE WATER COMPANY CANAL RIVERSIDE COUNTY ASSESSOR PARCEL NUMBER 213-060-004 TO 3<sup>RD</sup> AVENUE STORAGE LLC FOR \$8,000

**ISSUE:**

Approve the surplus property declaration and the Purchase and Sale Agreement between 3<sup>rd</sup> Avenue Storage, LLC for the sale of a 1,576 square foot portion of the Riverside Water Company Canal APN: 213-060-004 located north of Third Street and west of Commerce Street.

**RECOMMENDATIONS:**

That the Board of Public Utilities recommend that the City Council:

1. Approve the surplus property declaration of a 1,576 square foot portion of the Riverside Water Company Canal; and
2. Authorize the City Manager, or his designee, to execute the Purchase and Sale Agreement between the City and 3<sup>rd</sup> Avenue Storage, LLC, for the sale price of \$8,000, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

**BACKGROUND:**

A remnant portion of the Riverside Canal right of way abuts a proposed commercial development in the vicinity of Third Street near Commerce Street. The property inventory that accompanies the Public Utilities' (RPU) Financial Management Policy designates this parcel (213-060-004) located north of Third Street and west of Commerce Street as Exclusive-In Use. However, staff has determined that the proposed surplus portion of the parcel is not an integral part of the Canal right-of-way. Therefore, staff recommends the parcel be categorized as surplus to the needs of the Utility. The remainder of the parcel contains an active waterline and the designation will remain Exclusive In-Use.

3rd Avenue Storage LLC requests to purchase the subject remnant parcel. The proposed \$8,000 sales price for the 1,576 square feet of vacant land is based on a Fair Market Value appraisal conducted in March 2016.

**FISCAL IMPACT:**

The \$8,000 from sale of the land will be deposited into Land and Building Revenue Account 0000520-380010.

Prepared by: Kevin S. Milligan, Deputy General Manager  
Approved by: Girish Balachandran, Utilities General Manager  
Approved by: John A. Russo, City Manager  
Approved as to form: Gary G. Geuss, City Attorney

Certifies availability  
of funds:

Laura Chavez-Nomura, Utilities Assistant General Manager/Finance

Attachment:

Purchase and Sale Agreement