



*City of Arts & Innovation*

# Development Committee

**TO: DEVELOPMENT COMMITTEE MEMBERS      DATE: MARCH 23, 2017**

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

**SUBJECT: DEVELOPMENT OF 8,076 SQUARE FEET OF CITY OWNED LAND  
LOCATED AT THE NORTHEASTERLY CORNER OF VAN BUREN  
BOULEVARD AND INDIANA AVENUE - BY VAN BUREN LAND AND  
INVESTMENT INC. - DIRECT SUBMITTAL**

## **ISSUE:**

Select Van Buren Land and Investment, Inc., of Riverside for the development of the property located at the northeasterly corner of Van Buren Boulevard and Indiana Avenue, identified as Assessor's Parcel Number 233-063-012 (Property).

## **RECOMMENDATIONS:**

That the Development Committee:

1. Select the Van Buren Land and Investment, Inc. proposal; and
2. Direct staff to negotiate an agreement for the disposition of the Property and subsequent development of a two-story office/retail project to be presented to the City Council for consideration.

## **BACKGROUND:**

On May 6, 2008, the Public Works Department acquired the Property for the Van Buren Boulevard/SR91 Interchange Improvement Project. The Property is located within the Commercial Retail Zone of the Arlington south neighborhood and is comprised of the remnant portion of two adjoining parcels. Access to the Property is limited to Indiana Avenue; access is denied along Van Buren Boulevard as required by Caltrans. The Van Buren Boulevard/SR91 Interchange Improvement Project was completed in September 2011 and the Property is no longer needed by Public Works.

The City Council declared the Property surplus on December 15, 2015. Staff did not receive interest from any Public Agencies during the following 60 day offering period to Public Agencies as required by Government Code Section 54220, et seq.

## **DISCUSSION:**

On July 7, 2016, staff issued a Request for Proposals (RFP) for development of the Property as depicted below. On October 14, 2016, the RFP deadline, staff received proposals from New Tech, Inc., Allan Engineering, and two from Van Buren Land and Investment, Inc. (Van Buren Land). On December 5, 2016, the Selection Committee interviewed firms of the three most responsive proposals and subsequently selected the office/retail proposal submitted by Van Buren Land as being the most viable. The site plan as well as a conceptual rendering for the proposed development are included as an Attachment to this report.



The Van Buren Land proposal is summarized below:

1. Site Area: 8,076 square feet
2. Purchase Price: \$150,000 (\$15 per square foot) which is \$15,000 more than the current fair market value appraisal amount of \$135,000
3. Proposed Project: One 2-story office/retail building totaling 3,500 square feet with 14 parking spaces as shown on the attached site plan and conceptual rendering
4. Total Anticipated Investment: \$1,343,900

Van Buren Land was founded in 1989 by Mr. Michael Sadeghian, a local real estate developer and entrepreneur. Van Buren Land has successfully developed and managed commercial, retail, and office properties in Riverside.

The Selection Committee has determined that Van Buren Land has sufficient development

experience to undertake the acquisition and development of the Property as proposed. As such, staff recommends that the Development Committee select the office/retail proposal submitted by Van Buren Land.

**FISCAL IMPACT:**

The Property is City owned and is being sold for \$150,000 less closing costs, title, and escrow fees anticipated not to exceed \$5,000. The estimated net sale proceeds from the sale in the amount of \$145,000 shall be deposited into Public Works 91 Frwy - Van Buren Transportation Uniform Mitigation Fee (TUMF) account number 9535519-440315.

Prepared by:	Rafael Guzman, Community & Economic Development Director
Certified as to availability of funds:	Scott G. Miller, PhD, Chief Financial Officer/City Treasurer
Approved by:	Al Zelinka, FAICP, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachment:

1. Site Plan and Conceptual Rendering
2. Presentation