



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 13, 2017**

FROM: COMMUNITY & ECONOMIC DEVELOPMENT **WARD: 3**
DEPARTMENT

SUBJECT: PURCHASE AND SALE AGREEMENT WITH INTERNATIONAL CHURCH OF THE FOURSQUARE GOSPEL FOR THE SALE OF CITY-OWNED VACANT LAND LOCATED ON JERRY LOUDER DRIVE EAST OF STREETER AVENUE, SOUTH OF DEWEY AVENUE AND THE UNION PACIFIC RAIL ROAD LINE, IDENTIFIED AS ASSESSOR PARCEL NUMBERS 226-081-006 AND 226-081-021 FOR THE SALE PRICE OF \$55,000

ISSUE:

Approve a Purchase and Sale Agreement with International Church of the Foursquare Gospel of Los Angeles, California for the sale of City-owned vacant land located on Jerry Louder Drive east of Streeter Avenue and south of Dewey Avenue and the Union Pacific rail road line, identified as Assessor Parcel Numbers 226-081-006 and 226-081-021 for the sale price of \$55,000.

RECOMMENDATIONS:

That the City Council:

1. Approve the Purchase and Sale Agreement with International Church of the Foursquare Gospel for the sale of City-owned vacant land located on Jerry Louder Drive east of Streeter Avenue and south of Dewey Avenue and the Union Pacific rail road line, identified as Assessor Parcel Numbers 226-081-006 and 226-081-021 for the sale price of \$55,000; and
2. Authorize the City Manager, or his designee, to execute the Agreement, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction and to expend up to \$5,000 for title, escrow and miscellaneous related closing costs.

BACKGROUND:

Between 2011 and 2013, the Public Works Department acquired right-of-way for the Streeter Avenue Grade Separation Project, an underpass at the rail crossing on Streeter and Dewey Avenues completed by the Public Works Department to improve traffic flow and safety for both vehicular travel and pedestrians. The Property is comprised of the remnant portions of two adjoining residential parcels totaling 12,261.6 square feet on Jerry Louder Drive adjacent to the

Riverside Foursquare Church, also known as Wind of the Spirit Church, a subordinate unit of the International Church of the Foursquare Gospel of Los Angeles.

The City Council declared the Property surplus on February 2, 2016. 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:

In July 2016, staff was contacted by the Senior Pastor of the Wind of the Spirit Church expressing an interest in purchasing the Property shown below for the development of a community garden. Subsequently, staff obtained an independent third party appraisal to determine the fair market value of the property. The appraised value of \$55,000 established the initial offering price which was accepted by the International Church of the Foursquare Gospel (ICFG). Staff believes this amount represents the current fair market value of the Property.



As such, staff recommends approval of the Agreement with ICFG for the sale price of \$55,000 for the City-owned Property located on Jerry Louder Drive to facilitate a community garden.

The Public Works Director concurs with this recommendation.

FISCAL IMPACT:

The Property is City owned and is being sold for \$55,000. The net sale proceeds, less all title, escrow and miscellaneous related closing cost fees not to exceed \$5,000 is estimated to be \$50,000 and shall be deposited into Public Works Streeter Ave/UPRR Grade Separation account number 9595830214-44030274.

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: Purchase and Sale Agreement