



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBRUARY 13, 2018

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT WARD: 1

SUBJECT: FIRST AMENDMENT TO THE PURCHASE AND SALE AGREEMENT WITH HANDSON EQUITIES, LLC TO ALLOW HANDSON EQUITIES, LLC UNTIL JULY 12, 2019 TO COMPLETE THE REHABILITATION AND RESTORATION OF THE HISTORIC SWEATT HOUSE LOCATED AT 4587 MULBERRY STREET, BEARING ASSESSOR PARCEL NUMBER 219-043-021

ISSUE:

Approve the First Amendment to the Purchase and Sale Agreement with Handson Equities, LLC to allow Handson Equities, LLC until July 12, 2019 to complete the rehabilitation and restoration of the historic Sweatt House located at 4587 Mulberry Street, bearing Assessor Parcel Number 219-043-021.

RECOMMENDATIONS:

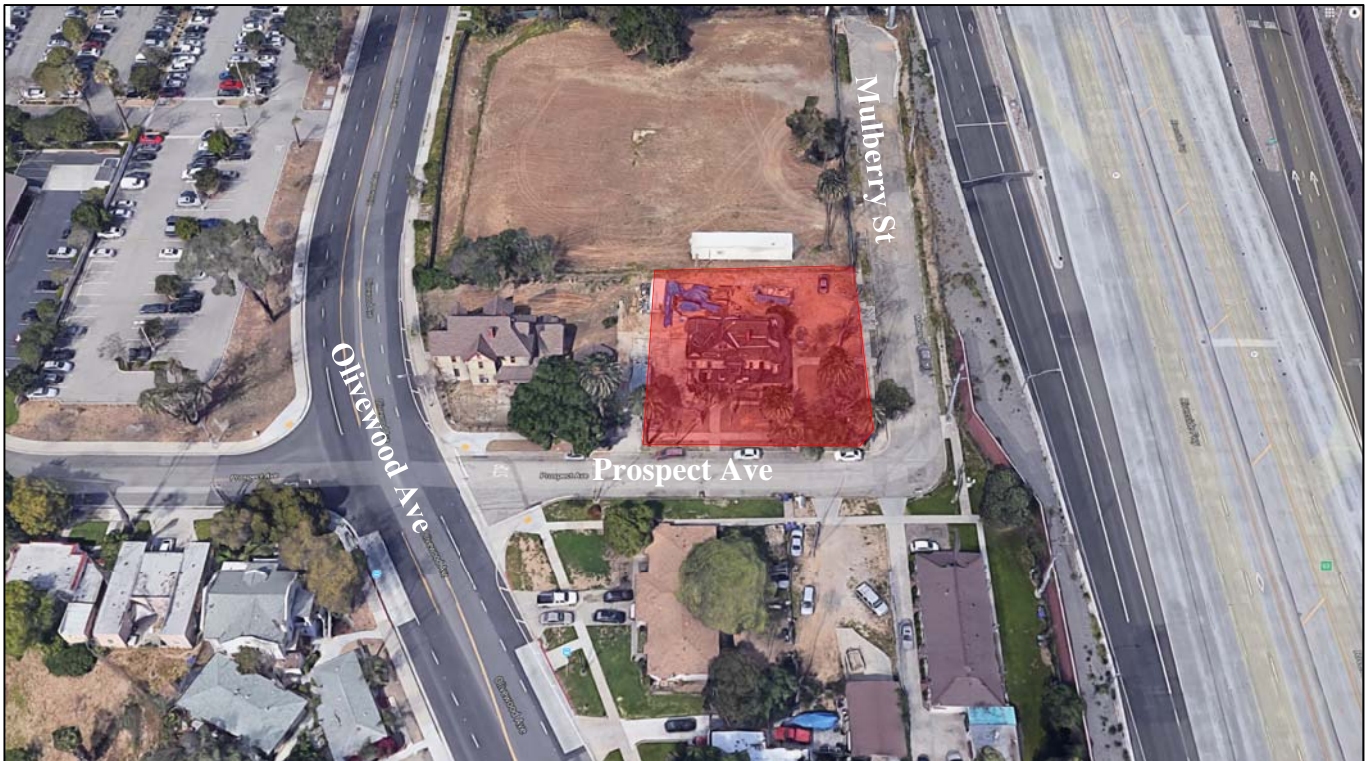
That the City Council:

1. Approve the First Amendment to the Purchase and Sale Agreement with Handson Equities, LLC to allow Handson Equities, LLC until July 12, 2019 to complete the rehabilitation and restoration of the historic Sweatt House located at 4587 Mulberry Street, bearing Assessor Parcel Number 219-043-021; and
2. Authorize the City Manager, or his designee, to execute the First Amendment to the Purchase and Sale Agreement with Handson Equities, LLC, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

BACKGROUND:

On April 12, 2016, the City Council authorized the execution of separate Purchase and Sale Agreements with Handson Equities, LLC (Handson) for the acquisition, rehabilitation, and restoration of the historic McIntyre House, located at 4586 Olivewood Avenue, and the historic Sweatt House, located at 4587 Mulberry Street.

The Purchase and Sale Agreement for the Sweatt House was executed on April 18, 2016 and escrow closed on July 12, 2016.



Historic Sweatt House - 4587 Mulberry Street

DISCUSSION:

The Purchase and Sale Agreement for the historic Sweatt House contains a provision that Handson must complete restoration and rehabilitation of the home within two (2) years from Close of Escrow (July 12, 2018).

On December 28, 2017, staff received a request from Handson requesting an amendment to the Purchase and Sale Agreement to allow for an additional one (1) year to complete restoration of the Sweatt House.

The City's historic preservation staff has worked closely with Handson through the Certificate of Appropriateness (COA) process and has met with Handson multiple times to assess the restoration progress of the Sweatt house. Handson has had multiple delays due to the overall scope of the restoration project. It is the opinion of the City's historic preservation staff that Handson is in compliance with the City's requirements and has continued to make good progress on the restoration work.

The proposed First Amendment allows Handson until July 12, 2019 to complete the restoration of the Sweatt House.

FISCAL IMPACT:

There is no fiscal impact associated with the approval of this First Amendment to the Purchase and Sale Agreement. If not approved, pursuant to the terms of the Purchase and Sale Agreement, Handson will be required to pay the City \$250 per day from July 12, 2018 until the renovation is completed.

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

Attachment:	First Amendment to the Purchase and Sale Agreement
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