



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: NOVEMBER 19, 2024

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARD: 3
DEPARTMENT

SUBJECT: PURCHASE, SALE AND DEVELOPMENT AGREEMENT WITH WJK
DEVELOPMENT, CO. FOR THE SALE OF APPROXIMATELY 5,832 SQUARE
FEET OF VACANT CITY-OWNED LAND BEARING ASSESSOR'S PARCEL
NUMBER 190-021-033 FOR THE SALE PRICE OF \$81,850

ISSUE

Approve the Purchase, Sale and Development Agreement with WJK Development Co. for the sale of approximately 5,832 square feet of vacant City-owned land bearing Assessor's Parcel Number 190-021-033 for the sale price of \$81,850.

RECOMMENDATIONS:

That the City Council:

1. Approve the Purchase, Sale and Development Agreement (Attachment 1 – Agreement) with WJK Development Co. for vacant City-owned land located on Mountain View Avenue, bearing the Assessor's Parcel Number 190-021-033 (Property), for the sales price of \$81,850; and
2. Authorize the City Manager, or his designee, to execute the Agreement, including making minor, non-substantive changes, and to sign all documents necessary to complete the transaction.

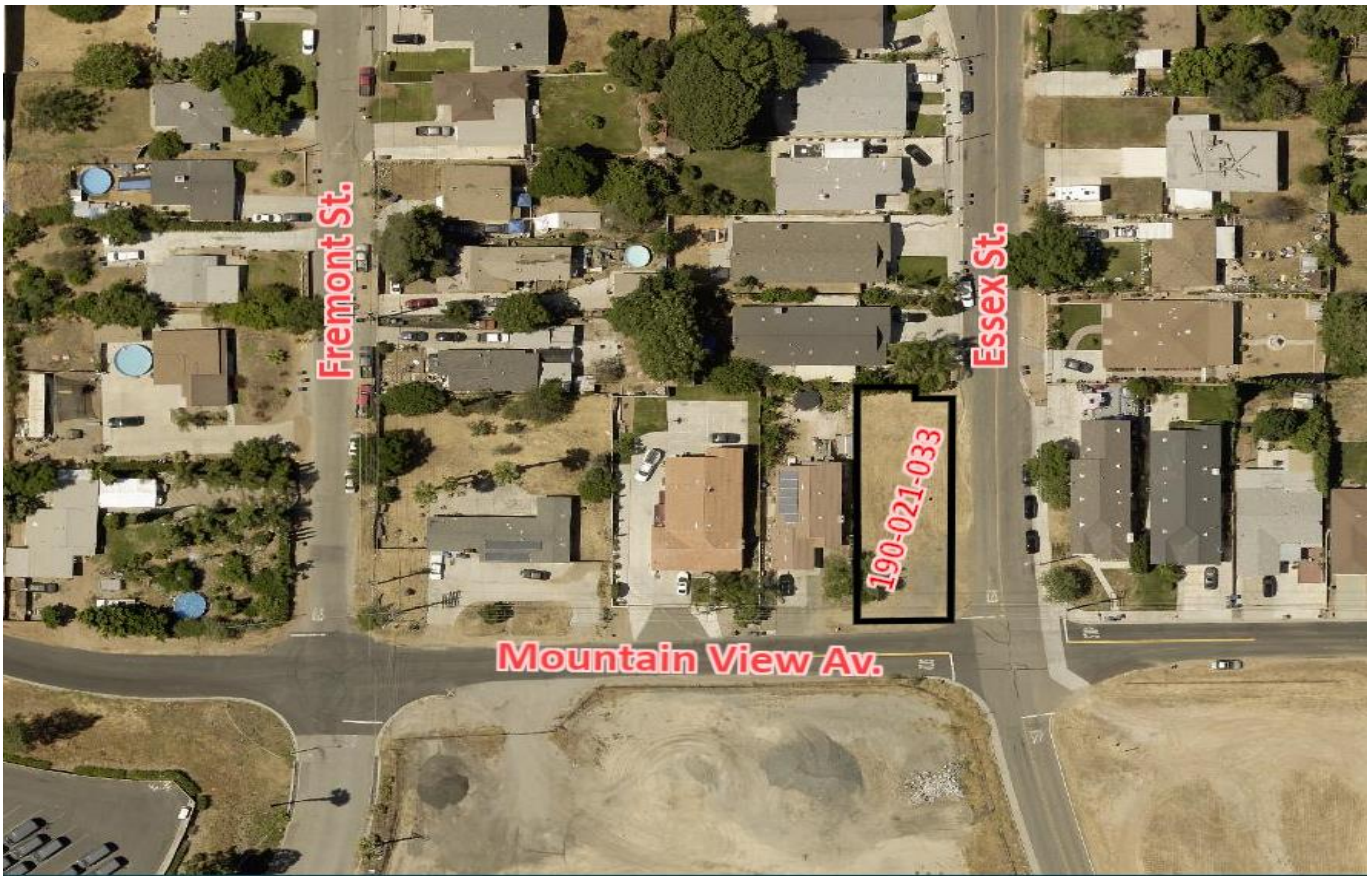
BACKGROUND:

On January 19, 1962, the City Council approved the acquisition of the Property from the State of California at a Tax Sale held and conducted in the manner provided by law for Assessor's Parcel Number 190-021-033.

On December 18, 2018, the City Council approved the surplus of the subject Property located on Mountain View Avenue. It 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.

DISCUSSION:

The Property, as shown on the aerial site map below, is zoned R-1-7000 with a General Plan designation of Medium Density Residential and is currently vacant. The parcel was deemed surplus in 2018 to the needs of Public Works.



An independent third-party appraiser provided an appraisal that concluded the subject property's value was \$70,000 in its as-is condition. Staff reviewed the report and determined that the sale price for the subject property represents the current fair market value.

The subject property received two bids. The City requested an overall Best and Final Offer from each developer, which required new proposals for the Property, APN: 190-021-033. WJK Development Co. offered to purchase the subject property at \$81,850 in its as-is condition, which was the highest final bid.

The consultant, WJK Development Co., proposes constructing a single-family residence with a garage of approximately 1,380 square feet. The terms of the agreement provide for a 120-day escrow period in which the Buyer shall have 30 days to perform its due diligence. There are no broker fees, and the Buyer shall be responsible for obtaining any project development entitlements at its sole cost and expense. Additionally, the Buyer will be responsible for all costs associated with securing title and half of the escrow fees of this transaction. The proposed construction aligns with the General Plan and will stabilize and revitalize the neighborhood.

The Public Works Director concurs with the recommendations of this report.

STRATEGIC PLAN ALIGNMENT:

This item contributes to the Strategic Plan **Priority 5 – High Performing Government**, specifically **Goal 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.

The item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The City is transparent and makes decisions based on sound policy, inclusive community engagement, involvement of City Boards and Commissions, and timely and reliable information. Approving the Agreement in an open meeting demonstrates that the City is transparent, committed to community trust, and makes decisions that serve the public interest.
2. **Equity** – The City is unwavering in its commitment to fairness, supporting its racial, ethnic, religious, sexual orientation, identity, geographic, and other attributes of diversity. The City is dedicated to advancing fairness of treatment, recognition of rights, and equitable distribution of services to ensure every member of the community has equal access to share in the benefits of community progress. City Council approval of the Agreement maximizes public funds through growth and accountability.
3. **Fiscal Responsibility** – The City is a prudent steward of public funds and is responsible for managing and disposing of its financial resources in a manner consistent with prudent stewardship while facilitating beneficial investment in the City of Riverside.
4. **Innovation** – The City is inventive and timely in meeting the community’s changing needs and prepares for the future through collaborative partnerships and adaptive processes. Approving the sale of the Property demonstrates that the City works diligently and is creative and timely in meeting the community’s changing needs by preparing for the future through collaborative partnerships and adaptive processes.
5. **Sustainability & Resiliency** – The City is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City’s capacity to persevere, adapt and grow during good and difficult times. The disposition of the Property encourages equitable housing solutions to meet the needs of the future and ensures the City’s capacity to preserve, adapt and grow.

FISCAL IMPACT:

The fiscal impact of this item is an estimated revenue of \$81,850 minus all related title, escrow, and miscellaneous closing costs estimate not-to-exceed \$5,000. The estimated net proceeds from the sale in the minimum amount of \$76,850 shall be deposited into Gas Tax Fund, Sale of Land & Buildings revenue account number 0000230-380010.

Prepared by:	Patricia Villa, Real Property Agent
Approved by:	Jennifer Lilley, Community & Economic Development Director
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Mike Futrell, City Manager

Approved as to form: Jack Liu, Interim City Attorney

Attachments:

1. Purchase, Sale and Development Agreement
2. Presentation

PV
09/11/2024
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