



TERMINATE THE PURCHASE, SALE AND DEVELOPMENT AGREEMENT WITH CIRCLE CITY INVESTMENT GROUP FOR THE SALE OF A PORTION OF ASSESSOR'S PARCEL NUMBER 190-067-037 AND TO CANCEL ESCROW WITH LAWYERS TITLE COMPANY – DEPOSIT REVENUE OF \$2,850

Community & Economic Development Department

CITY COUNCIL

November 19, 2024

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BACKGROUND

1. On September 24, 2002, City Council adopted a resolution authorizing the Jurupa Avenue Grade Separation Project to reduce the congestion and inconvenience of at-grade Union Pacific railroad crossing at Jurupa Avenue.



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BACKGROUND (CONT.)

2. On December 18, 2018, City Council approved the surplus disposition of the subject property located on the southeast corner of Essex Street and Mountain View Avenue and authorized the marketing and sale of the Property.
3. On June 7, 2023, City Council approved an Agreement between the City of Riverside and Circle City Investment Group for the sale of the Property for the price of \$140,000.



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DISCUSSION

1. On August 9, 2024, Mr. Yousuf Bhaghani, President of Circle City Investment Group, was sent a default notice for failing to secure necessary entitlements and environmental clearances for the Property. The notice cited specific breaches of the agreement related to the closing date, closing documents, default, and the opportunity to cure within fifteen days. The Canal was formerly used for conducting, supplying, and distributing irrigation water to and for the use of the city.



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DISCUSSION (CONT.)

2. Per Sections 7.3 and 7.5, the City is entitled to terminate the Agreement and receive the deposit amount and reasonable attorney's fees.
3. Per Article II, Section 2.3 the non-refundable amount of the deposit is \$2,850, which was made by Circle City Investment Group for the Property.



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STRATEGIC PLAN ALIGNMENT

Strategic Priority 5 – High Performing Government

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.

Cross-Cutting Threads



Community Trust



Equity



Fiscal Responsibility



Innovation



Sustainability & Resiliency



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RECOMMENDATIONS

That the City Council:

1. Authorize the termination of the Purchase, Sale and Development Agreement (Attachment 1 – Agreement) with Circle City Investment Group for the vacant City-owned land located on the southeast corner of Essex Street and Mountain View Avenue, bearing a portion of Assessor's Parcel Number 190-067-037, for the sale price of \$95,000;



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RECOMMENDATIONS (CONT.)

2. Authorize the escrow cancellation with Lawyers Title Company, Escrow No. SBL25562-LT143-DS; and
3. Authorize the City Manager, or his designee, to execute all documents, including making minor, non-substantive changes, necessary to cancel the transaction with Lawyers Title Company.



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