



**PURCHASE, SALE AND DEVELOPMENT AGREEMENT
WITH JAMES E. THORNELL FOR THE SALE OF
APPROXIMATELY 8,542 SQUARE FEET OF VACANT
CITY-OWNED LAND FOR THE SALES PRICE OF
\$125,000**

Community & Economic Development Department

CITY COUNCIL
OCTOBER 3, 2023

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BACKGROUND

1. Enacted in 1968, the Surplus Land Act requires all local agencies to prioritize affordable housing when disposing surplus land.
2. In 2006, the Jurupa Avenue Underpass project was initiated to reduce the congestion and inconvenience of the at-grade Union Pacific railroad crossing at Jurupa Avenue by reconstructing the existing four lanes and building a two-track railroad bridge. Staff was directed to acquire specific parcels in order to complete the Jurupa Avenue Underpass project.
3. On May 2, 2006, City Council approved the acquisition of Assessor's Parcel Numbers 190-031-002 & 190-031-028 required for the Jurupa Avenue Grade Separation Project.



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BACKGROUND

4. In 2014, the State amended the Surplus Land Act to define better what constitutes a qualified proposal, prioritize proposals to encourage the most units at the deepest affordability, and provide more realistic timeframes to make and negotiate offers.
5. On December 18, 2018, City Council approved the surplus of the subject properties located on Jurupa Avenue northeast of Chester Street and authorized the marketing and sale of the Property at the fair market value per the City's Administrative Manual Section 08.003.00 for the Disposition and Sale of City-Owned Real Property.



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DISCUSSION

1. The Properties are remnant parcels from the Jurupa Avenue Grade Separation Project. The developer, James E. Thornell, proposes to construct a single-family residence at the site. The proposed construction is in keeping with the General Plan and will stabilize and revitalize the neighborhood.
2. An independent third-party appraiser provided an appraisal that concluded to a value of \$85,000 in its as-is condition. Staff reviewed the report and determined that the sale price of the subject property represents the current fair market value.



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DISCUSSION

3. As the highest bidder, James E. Thornell was awarded the bid with his offer of \$125,000.
4. The basic terms of the agreement provide for a 90-day escrow period in which the Buyer shall have 30 days to perform its due diligence. There are no broker fees, Buyer shall obtain entitlements at its sole cost and expense. Buyer will be responsible for all costs to obtain title and half of the escrow fees of this transaction.



SUBJECT PROPERTIES

Subject Properties:

1. Zoned R-1-7000, Single Family Residential
2. General Plan designation of Medium Density Residential
3. Approximately 8,542 square feet.



STRATEGIC PLAN ALIGNMENT

Strategic Priority No. 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



Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation



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RECOMMENDATIONS

That the City Council:

1. Approve the Purchase, Sale, and Development Agreement with James E. Thornell for the sale of vacant City-owned land bearing Assessor's Parcel Numbers 190-031-002 & 190-031-028 for the sales price of \$125,000; and
2. Authorize the City Manager, or designee, to execute the agreement, including making minor non-substantive changes, and to sign all documents necessary to complete the transaction.



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