



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: OCTOBER 3, 2023

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARD: 3
DEPARTMENT

SUBJECT: FIRST AMENDMENT TO THE PURCHASE, SALE, AND DEVELOPMENT
AGREEMENT WITH JAMES E. THORNELL FOR VACANT CITY-OWNED LAND,
BEARING ASSESSOR'S PARCEL NUMBER 190-033-029, TO MODIFY THE
ESCROW AND TITLE INSURANCE COMPANIES

ISSUE:

Approve the First Amendment to the Purchase, Sale, and Development Agreement with James E. Thornell for vacant City-owned land, bearing Assessor's Parcel Number 190-033-029, to modify the escrow and title insurance companies.

RECOMMENDATIONS:

That the City Council:

1. Approve the First Amendment (Attachment 1 – First Amendment) to the Purchase, Sale, and Development Agreement with James E. Thornell for vacant City-owned land bearing Assessor's Parcel Number 190-033-029; and
2. Authorize the City Manager, or designee, to execute the First Amendment to the Purchase, Sale and Development Agreement, including making minor and non-substantive changes, and to sign all documents necessary to complete the transaction.

BACKGROUND:

Enacted in 1968, the Surplus Land Act requires all local agencies to prioritize affordable housing when disposing of surplus land.

In 2000, the City Council approved the Jurupa Avenue Grade Separation Project, which was initiated to reduce the congestion and inconvenience of the Union Pacific railroad crossing at Jurupa Avenue by reconstructing the existing four lanes and building a two-track railroad bridge.

On July 11, 2006, the City Council approved the acquisition of the Property required for the construction of the Jurupa Avenue Grade Separation Project.

In 2014, the State amended the Surplus Land Act to better define 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.

On December 18, 2018, City Council approved the surplus declaration and 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.

On June 20, 2023, City council approved the Purchase, Sale, and Development Agreement with James E. Thornell for the sale of vacant City-owned land bearing the Assessor’s Parcel Number 190-033-029 for the sales price of \$125,000.

DISCUSSION:

The Property is a remnant parcel from the Jurupa Avenue Grade Separation Project. The developer, James E. Thornell, proposes to construct a single-family residence at the site. The Property is zoned R-1-7000, Single Family Residential, with a General Plan designation of Medium Density Residential and is currently vacant.



The proposed First Amendment permits James E. Thornell to modify the escrow company from Commonwealth Land Title Insurance Company to Cornerstone Escrow, Inc. Additionally, the title insurance company is to be amended from Cornerstone Escrow, Inc. to USA National Title Company. All other terms and conditions of the Purchase, Sale, and Development Agreement remain unchanged and shall continue to be enforced.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 5 – High Performing Government** and **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** – Approving the First Amendment in an open meeting demonstrates that the City is transparent and committed to community trust and makes decisions that

serve the public interest.

2. **Equity** – Approving the First Amendment demonstrates the City’s commitment to advancing the fairness of treatment, recognition of rights, and equitable distribution of services to every member of the community with equal access to share the benefits of community progress.
3. **Fiscal Responsibility** – Amending the agreement ensures responsible management of the City’s financial resources while providing quality public services to all.
4. **Innovation** – The City is inventive and timely in meeting the community’s changing needs. Approving the First Amendment demonstrates that the City prepares for the future through collaborative partnerships and adaptive processes.
5. **Sustainability & Resiliency** – Approving the First Amendment ensures the City’s capacity to persevere, adapt and grow during good and difficult times alike.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

Prepared by: Jennifer A. Lilley, AICP, Community & Economic Development Director
Certified as to
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. First Amendment
2. Presentation