



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: NOVEMBER 27, 2023

SUBJECT: DECLARE VACANT CITY-OWNED LAND, APPROXIMATELY 1,296 SQUARE FEET, BEARING ASSESSOR'S PARCEL NUMBER 207-033-029, FORMERLY KNOWN AS THE MARY EVANS BOOSTER STATION, AS EXEMPT SURPLUS AND APPROVE THE PURCHASE AND SALE AGREEMENT WITH VIRGIL C. HANE AND BETTE J. GRAFF FOR THE SALES PRICE OF \$1,302.00

ISSUE:

Consider recommending that the City Council declare vacant City-owned land, approximately 1,296 square feet, bearing Assessor's Parcel Number 207-033-029, formerly known as the Mary Evans Booster station, as exempt surplus and approve the Purchase and Sale Agreement with Virgil C. Hane and Bette J. Graff for the sales price of \$1,302.00.

RECOMMENDATIONS:

That the Board of Public Utilities recommend that the City Council:

1. Declare approximately 1,296 square feet of vacant City-owned land as exempt surplus, located west of Beacon Way and north of Redwood Drive, formerly known as the Mary Evans Booster Station;
2. Approve the Purchase and Sale Agreement with Virgil C. Hane and Bette J. Graff for the sales price of \$1,302.00; and
3. Authorize the City Manager, or his designee, to execute the Agreement including making minor, non-substantive changes, to sign all documents and instruments necessary to complete this transaction.

BACKGROUND:

The former Mary Evans booster facility located west of Beacon Way, north of Redwood Drive, on Little Mt. Rubidoux, was abandoned and relocated in 2005. It is surrounded by the adjacent landowner's property, with Riverside's legal access limited to a twenty-foot-wide easement. The Public Utilities Water Division removed the equipment of the former Mary Evans Booster Station upon its replacement by the new Mary Evans Booster Station and abandoned the site. The site does not serve a future utility or development purpose. RPU will retain an easement related to an existing pipeline traversing the site.

On March 17, 2006, the Board of Public Utilities recommended the surplus declaration of the subject property. Initially enacted in 1968, the Surplus Land Act required all local agencies to prioritize affordable housing when disposing of surplus land. In 2014, the State of California amended the Surplus Land Act to define a qualified property purchase proposal, prioritize property purchase proposals that encourage the most housing units at the deepest affordability, and provide more realistic timeframes to make and negotiate property purchase offers. On October 9, 2019, State Assembly Bill 1486 (AB 1486) was adopted and required public agencies to notify the State's Housing and Community Development Department of the availability of surplus land for potential housing development.

Pursuant to Government Code 54221(e)(2), if the lot size is less than 5,000 square feet or less than the minimum legal building lot size for the jurisdiction in which the parcel is located, and 2) the vacated portion of excess right-of-way is not required for street and highway purposes, the subject property may be declared exempt surplus land and sold to an owner of contiguous land. In this case, the subject property is exempt from the surplus process because it is under 5,000 square feet and being sold to the adjacent property owner.

DISCUSSION:

The total property contains approximately 1,296 square feet, is zoned residential (R-1-7000) and has a General Plan designation of Medium Density Residential. As previously stated, Public Utilities Water Division discontinued the use and removed the equipment of the former Mary Evans Booster Station upon its replacement by the new Mary Evans Booster Station in mid-2005. Additionally, an easement related to an existing pipeline traversing the site will be retained and centered upon the pipeline. The City's property is outlined in yellow below and the Buyer's property is outlined in red. Disposition of the property will eliminate maintenance and liability associated with the property.



Per Government Code Sections 37350 and 37351, because the total square footage of the Property is less than 10,000 square feet (1,296 sf), a waiver valuation was used to determine the value of the Property as \$842.40 based on size and zoning. As such, the City is not required to follow the guidelines contained in the City Administrative Manual Section Number 08.003.00, “Disposition and Sale of City-Owned Real Property” and will not be subject to the requirements of Assembly Bill 1486.

On April 19, 2022, the adjacent property owners, Virgil C. Hane and Bette J. Graff, proposed an offer of \$1,302.00 for the Property and the City accepted.

The basic terms of the Agreement provide for a 120-day escrow period in which the Buyer has 45 days to perform their due diligence of reviewing the condition of the Property and any other matters affecting the Property along with their funding documentation. The Buyer will be responsible for all recording fees, document transfer taxes, the cost of Buyer’s Title Policy premium, and all fees and costs associated with the escrow.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Plan Priority No. 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 also 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 & Commissions, and timely and reliable information. By approving the Purchase and Sale Agreement, the City demonstrates that Riverside is committed to serving the public interest, benefiting the City’s diverse populations that results in greater public good.
2. **Equity** – The City supports racial, ethnic, religious, sexual orientation, identity, geographic, and other attributes of diversity and is committed to advancing the fairness of treatment, recognition of rights, and equitable distribution of services to ensure every member of the community has equal access of the proposed transaction by ensuring that the Property is maintained, and its value maximized which is necessary to promote growth and provide equitable economic benefits throughout the immediate area.
3. **Fiscal Responsibility** – The City is a prudent steward of public funds and approving the Purchase and Sale 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. By approving the Purchase and Sale Agreement, the City demonstrates how it prepares for the future through this collaborative partnership with the Buyer.
5. **Sustainability & Resiliency** – The City is committed to meeting the needs of the present without compromising the needs of the future. Approving the Purchase and Sale Agreement ensures the City’s capacity to persevere, adapt and grow during good and difficult times alike.

FISCAL IMPACT:

The total fiscal impact is estimated to be \$1,302.00. The estimated net proceeds from the sale in the amount of approximately \$1,302.00 shall be deposited into the Water Fund, Sale of Land & Buildings Account No. 0000520-380010.

Prepared by: Jennifer A. Lilley, AICP, Community & Economic Development Director
Approved by: Todd M. Corbin, Utilities General Manager
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. Location Map
2. Purchase and Sale Agreement
3. Presentation