

CITY OF OAKLAND

AGENDA REPORT

TO:

Office of the City Administrator

ATTN:

Dan Lindheim

FROM:

Community and Economic Development Agency

DATE:

February 24, 2009

RE:

An Ordinance Authorizing the City Administrator to Negotiate and Execute a Purchase and Sale Agreement to Sell Approximately Sixty (60) Square Feet of City-Owned Surplus Real Property Located at Jefferson and 18th Streets to Wendy Neft Sanda and Kenneth Neft, the Adjoining Property Owners, for the Total Fair Market Value of Three Hundred (\$300.00)

Dollars

SUMMARY

Approval of the City Council is requested for the sale of a City-owned surplus property located at Jefferson and 18th Streets to the adjoining property owners at its fair market value. The Real Estate Division continues its efforts to generate additional revenue and reduce the City's maintenance expenses through the proactive identification and disposal of surplus property. The City-owned property located at Jefferson and 18th Streets has been declared surplus property and available for disposal.

Wendy Neft Sanda and Kenneth Neft, the adjoining property owners, initiated discussions with the City for the purchase of this City-owned surplus property. A legal description was developed which determined that the rectangular shaped six (6) inch by one hundred twenty (120) linear feet surplus property contains approximately sixty (60) square feet (Attachment A). After further negotiations, an agreement was reached to sell the surplus property for a total fair market value of \$300.00.

Staff recommends adoption of the Ordinance authorizing the City Administrator to enter into a Purchase and Sales Agreement with Wendy Neft Sanda and Kenneth Sanda for the surplus property located at Jefferson and 18th Streets for its fair market value.

FISCAL IMPACT

Sale proceeds of \$300.00 will be placed in General Purpose Fund (1010), Real Estate Services Organization (88639), Surplus Property Account (48111), Surplus Property Disposition Project (P47010), Real Estate Program (PS32). The sale of this property will help meet the surplus property revenue requirements in the Fiscal Year 2008-09 adopted budget.

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In addition, the City will receive its share of the future property taxes once the property is returned to the property tax rolls and will save the ongoing maintenance costs associated with the upkeep of the property. The purchaser will be responsible for all escrow and closing costs and liability exposure.

BACKGROUND

The City-owned property is a vacant rectangular shaped parcel containing approximately 60 square feet. It is located between Jefferson and 18th Streets. This parcel was created with the reconfiguration of the former Grove and Johnson Streets. The property should have been sold to the adjacent property owner, Sam Neft, in 1985 at the time he acquired the adjacent City owned surplus parcels.

The property is less than 2500 square feet, and it is not required to have a planning review. The current R-35 zoning is for single family residential use.

Ordinance No. 11602 C.M.S., Section 6 (c) requires a finding that it is in the best interest of the City to sell the remnant parcel by a negotiated sale to the adjoining property owner. The adjacent property owner has approached the City to purchase the subject property to close the gap between his parcels to make a contiguous parcel. Sale of the property to the adjacent property owners will relieve the City of on-going liability and maintenance costs and will return the property to the tax rolls.

The adjoining property owner has agreed to purchase the surplus property at its fair market value of \$300.00. There are no City subsidies involved in the sale of the surplus property.

KEY ISSUES AND IMPACTS

This property is presently a burden on the City because of maintenance and liability concerns. Selling this property will maximize the City's economic and non-economic return by returning the property to the property tax rolls, thereby generating additional property tax revenue to the City, eliminate ongoing maintenance, and reduce future litigation exposure.

SUSTAINABLE OPPORTUNITIES

Economic: The sale of this property will take an underutilized site and produce

increased tax revenue for the City.

Environmental: Private ownership of the property will relieve City of ongoing abatement

issues for weed abatement and fire suppression.

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Social Equity:

No social equity issues have been identified.

DISABILITIES AND SENIOR CITIZEN ACCESS

Adoption of this Ordinance will have no direct impact on disabled and senior citizen access.

RECOMMENDATION AND RATIONALE

Staff recommends that the City Council approve an Ordinance authorizing the City Administrator to enter into a Purchase and Sales Agreement to sell, to the adjoining property owner, approximately 60 square feet of City owned surplus real property located at Jefferson and 18th Streets for the fair market value of \$300.00.

ACTION REQUESTED OF THE CITY COUNCIL

Council is requested to adopt the Ordinance authorizing the City Administrator to enter into a Purchase and Sales Agreement, to sell to the adjoining property owner, City owned surplus real property located at Jefferson and 18th Streets for the total fair market value of \$ 300.00.

Respectfully submitted,

Dan Lindheigh, Director

Community and Economic Development Agency

Reviewed by: Gregory Hunter, Deputy Director Economic Development and Redevelopment

Reviewed by: Frank Fanelli, Manager

Real Estate Services Division

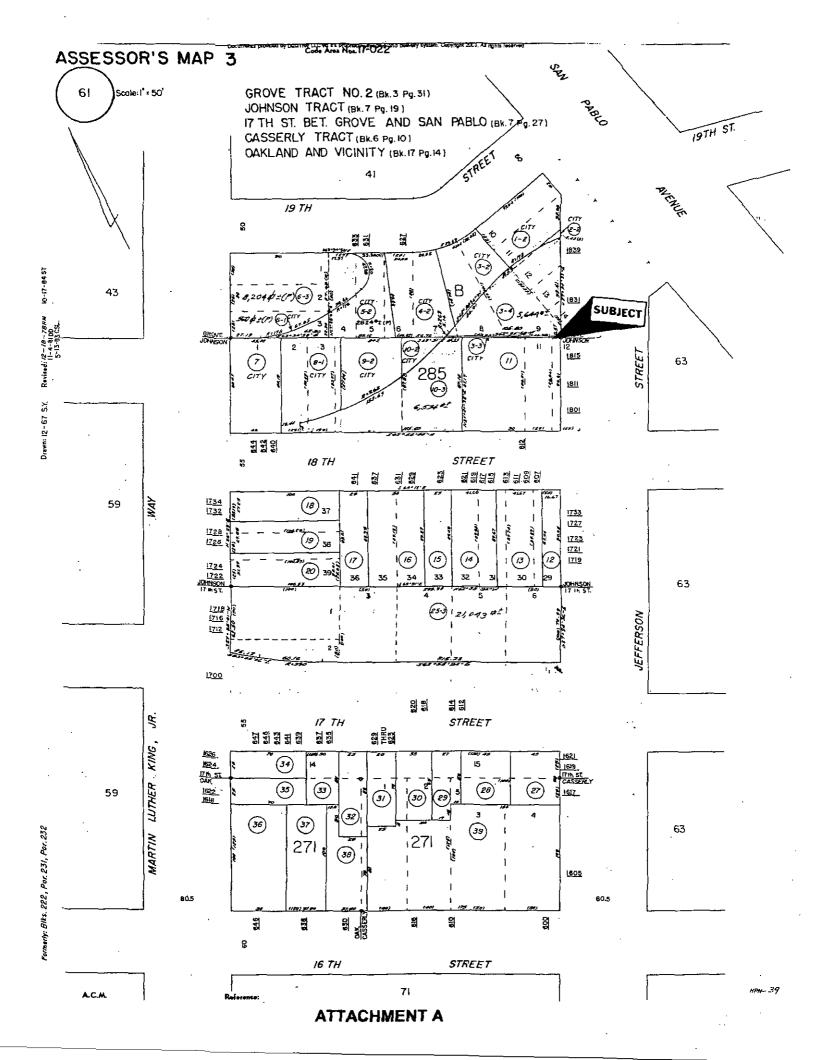
Prepared by: Barbara James

Real Estate Agent

APPROVED FOR FORWARDING TO THE FINANCE AND MANAGEMENT COMMITTEE

Office of City Administrator

Finance and Management Committee
February 24, 2009



Dens

NOTICE AND DIGEST

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A PURCHASE AND SALE AGREEMENT TO SELL APPROXIMATELY SIXTY (60) SQUARE FEET OF CITY-OWNED SURPLUS REAL PROPERTY LOCATED AT JEFFERSON AND 18TH STREETS TO WENDY NEFT SANDA AND KENNETH NEFT, THE ADJOINING PROPERTY OWNERS, FOR THE TOTAL FAIR MARKET VALUE OF THREE HUNDRED DOLLARS (\$300.00)

The Ordinance authorizes the sale of approximately 60 square feet of City surplus property to the adjoining property owners at Jefferson and 18th Streets.



Approved as to Form and Legality
CITY ATTORNEY

OAKLAND CITY COUNCIL

ORDINANCE	NO.	C.	М.	S.

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A PURCHASE AND SALE AGREEMENT TO SELL APPROXIMATELY SIXTY (60) SQUARE FEET OF CITY-OWNED SURPLUS REAL PROPERTY LOCATED AT JEFFERSON AND 18TH STREETS TO WENDY NEFT SANDA AND KENNETH NEFT, THE ADJOINING PROPERTY OWNERS, FOR THE TOTAL FAIR MARKET VALUE OF THREE HUNDRED (\$300.00). DOLLARS

WHEREAS, the City of Oakland ("City") owns a small parcel of land located at Jefferson and 18th Streets, Assessor's Parcel Number 003-0061-003-03; and

WHEREAS, a legal description has been developed that indicates that the property is approximately 60 square feet in area; and

WHEREAS, the Property is to be sold in "AS-IS" condition and the City makes no representations regarding land use or other permitting issues that may affect the property; and

WHEREAS, the Property is not developable as a separate parcel; and

WHEREAS, the parcel is less than 5,000 square feet and considered a substandard lot, and its location is adjacent to a parcel of land owned by the Purchaser, the Property is not subject to the California Surplus Lands Act (California Government Code 54220-5432), but is subject to City Ordinance No. 11602, C.M.S., covering sales of surplus City-owned property; and

WHEREAS, information regarding the surplus property was circulated pursuant to Government Code requirements and the Property may be sold through a negotiated sale; and

WHEREAS, the City's value finding established the Property's fair market value at \$300.00; and

WHEREAS, Wendy Neft Sanda and Kenneth Sanda, the owners of the abutting property, have tendered an offer to purchase the Property in the amount of \$300.00; and

WHEREAS, Wendy Neft Sanda and Kenneth Sanda provided the City the total amount of the sale price and additional administrative fees for the subject property; and

WHEREAS, after the Property is sold to Wendy Neft Sanda and Kenneth Sanda, the City will receive property taxes and will save the cost of maintaining the Property; and

WHEREAS, the requirements of the California Environmental Quality Act of 1970 ("CEQA"), the CEQA Guidelines as prescribed by the Secretary of Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been satisfied; now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

- Section 1. The City Council finds and determines that the herein-described real property is not needed for any public purpose, is surplus to the needs of the City, and the City is not required to put the property out for competitive bidding.
- Section 2. Pursuant to Ordinance No. 11602 C.M.S., the City Administrator may conduct a negotiated sale of the surplus Property because such sale is in the best interest of the City. The sale of the Property to the abutting property owner is in the City's best interest as it returns a property to the tax rolls and removes the Property from City maintenance responsibility.
- Section 3. The City Administrator, or his designee, is authorized to negotiate, execute and accept the Offer to Purchase and Sales Agreement from Wendy Neft Sanda and Kenneth Neft the adjoining property owners, for the sum of \$300.00, and to execute a Quitclaim Deed conveying the Property, and any and all other documents necessary to effectuate the sale of the Property. The sales proceeds will be placed in General Purpose Fund (1010), Real Estate Services Organization (88639), Surplus Property Account (48111), Surplus Property Disposition Project (P47010), Real Estate Program (PS32). The sale of this Property will help meet the surplus property revenue requirements in the Fiscal year 2008-09 budget.
- Section 4. The City Council has independently reviewed and considered this environmental determination, and the City Council finds and determines, based on the information in the staff report accompanying this Ordinance, that it can be seen with certainty that there is no possibility that the conveyance of the Property by the City to the Purchaser may have a significant effect on the environment, and therefore this action complies with CEQA because this action on the part of the City is exempt from CEQA pursuant to Section 15312(Surplus Government Property Sales) of the CEQA guidelines;
- Section 5. The City Administrator, or his designee, shall cause to be filed with the County of Alameda a Notice of Exemption and an Environmental Declaration (California Fish and Game Code Section 711.4) for this action.
- **Section 6.** The Manager, Real Estate Services is hereby authorized to take any and all actions necessary, consistent with this Ordinance, to complete the sale of the Property.
- **Section 7.** The Purchase and Sales Agreement for the purchase of this property shall be approved as to form and legality by the City Attorney's Office and a copy shall be filed with the Office of the City Clerk.

N COUNCIL, OAKLAND, CALIFORNIA,
PASSED BY THE FOLLOWING VOTE:
AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER
NOES-
ABSENT-
ABSTENTION-
ATTEST:LaTonda Simmons City Clerk and Clerk of the Council

of the City of Oakland, California

Section 8. This Ordinance shall become effective immediately upon final adoption if it receives six or more affirmative votes; otherwise, it shall become effective upon the seventh day after final

adoption.