

CITY OF OAKLAND

Agenda Report

FILED
OFFICE OF THE CITY CLERK

2005 JUN 16 PM 6:26

TO: Office of the City Administrator
ATTN: Deborah Edgerly, City Administrator
FROM: Community and Economic Development Agency
DATE: June 28, 2005

RE: **A CITY ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A PURCHASE AND SALE AGREEMENT WITH WILLIAM T. NEILL, THE ADJOINING PROPERTY OWNER, TO PURCHASE APPROXIMATELY 4,500 SQUARE FEET OF CITY OWNED SURPLUS REAL PROPERTY LOCATED AT 51ST STREET BETWEEN MANILA AND CORONADO AVENUES FOR THE FAIR MARKET VALUE OF \$4,500.**

SUMMARY

Approval of the City Council is requested for the sale of a City-owned surplus property located at 51st Street between Manila and Coronado Avenues, to the adjoining property owner at its fair market value. The Real Estate Division is renewing 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 51st Street between Manila and Coronado Avenues, has been declared surplus property and available for disposal.

City staff reinitiated discussions with the adjoining property owner, William T. Neill for the purchase of this City-owned surplus property. A legal description was developed which determined that the surplus property strip contains approximately 4,500 square feet. After further negotiations, an agreement was reached to sell the surplus property at its fair market value of \$4,500.

Staff recommends adoption of the Ordinance authorizing the City Administrator to enter into a Purchase and Sales Agreement with William T. Neill for the surplus property located at 51st Street between Manila and Coronado Avenues for its fair market value. Adoption of this Ordinance satisfies Mayor and City Council Priority Objectives #3.

FISCAL IMPACT

Sales proceeds of \$4,500 will be placed in the into the City's General Fund (1010) as the property was originally purchased as part of the 51st street-widening project.

In addition, the City will receive its share of the future property taxes once the property has been returned to the property tax rolls and will save the ongoing maintenance costs associated with the

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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 property containing approximately 4,500 square feet. The property consists of the remainder of four separate parcels, remnants of the widening 51st Street. This property is not capable of independent development. The proposed sale would be conditioned upon the remnant parcels being merged with the adjacent property owners adjoining three parcels located at 51st Street between Manila and Coronado Avenues (see attached parcel map). After assembling the City-owned property with the adjoining property, the development density beyond the existing zoning levels will not be increased.

The City's Real Estate Division has determined the fair market value of the surplus property is \$4,500. The adjoining property owners have agreed to purchase the surplus property at its fair market value of \$4,500. 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. The selling of this property will maximize the City's economic and non-economic returns by returning the property to the property tax rolls, eliminating the ongoing maintenance, reducing future litigation exposure and generating additional property tax revenue to the City.

SUSTAINABLE OPPORTUNITIES

Economic: The sale of this property will take blighted and underutilized sites and increased tax revenue for the City.

Environmental: Private ownership of the property will relieve the City of ongoing abatement issues for weed abatement and fire suppression.

Social Equity: The sale of this property will provide an opportunity for citizens to participate in owning real estate in the City of Oakland and assist in promoting real estate activity in the area, which is consistent with the environmental and recreational goals of the City.

DISABILITIES AND SENIOR CITIZEN ACCESS

Adoption of this Ordinance will have no direct impact on disabled and senior citizen access. However, any public improvements that may be required will provide appropriate access for disabled citizens and senior citizens.

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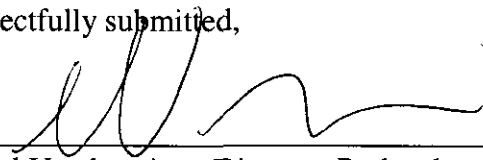
RECOMMENDATION AND RATIONALE

Staff recommends adoption of the Ordinance authorizing the City Administrator to enter into an Offer to Purchase and Sale Agreement with William T. Neill, the adjoining property owner, to purchase approximately 4,500 square feet of City owned surplus real property located at 51st Street between Manila and Coronado Avenues, for \$4,500.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends adoption of the Ordinance authorizing the City Administrator to enter into an Offer to Purchase and Sale Agreement with William T. Neill, the adjoining property owner, to purchase approximately 4,500 square feet of City owned surplus real property located at 51st Street between Manila and Coronado Avenues, for \$4,500.

Respectfully submitted,



Daniel Vanderprie, Director, Redevelopment,
Housing and Economic Development
Community and Economic Development Agency

Forwarded by:
Frank Fanelli, Manager
Real Estate Services

Prepared by:
Barbara James, Real Estate Agent



APPROVED FOR FORWARDING TO THE
FINANCE AND MANAGEMENT COMMITTEE

ORDINANCE NO. _____ C. M. S.

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AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A PURCHASE AND SALE AGREEMENT WITH WILLIAM T. NEILL, THE ADJOINING PROPERTY OWNER, TO PURCHASE APPROXIMATELY 4,500 SQUARE FEET OF CITY OWNED SURPLUS REAL PROPERTY LOCATED AT 51ST STREET BETWEEN MANILA AND CORONADO AVENUE FOR THE FAIR MARKET VALUE OF \$4,500.

WHEREAS, the City of Oakland ("City") owns a vacant 4,500 square foot parcel located along 51st Street between Manila and Coronado Avenue, Assessor's Parcel Numbers 013-1137-045-02, 024-02, 025-03 and 027-03 described in Exhibit "A" attached hereto (the "Property"); and

WHEREAS, the Property is a remnant of the 51st Street Road Widening Improvement Project which has been completed; and

WHEREAS, a legal description has been developed that indicated that the Property is approximately 4,500 square feet in area; and that no easements encumber the Property; and

WHEREAS: the Property is to be sold in "AS IS" condition and the City makes no representations with respect to land use or other permitting issues that may affect the Property; and

WHEREAS, the Property being less than 5,000 square feet 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, the surplus Property screening letter was circulated pursuant to Government Code surplus property requirements and the Property may be sold through a negotiated sale; and

WHEREAS, the Property being more than 2,500 square feet is subject to Planning Commission zoning review, and is subject to all other procedures of City Ordinance No. 11602, C.M.S., for sale of City-owned properties; and

WHEREAS, Real Estate Services' market analysis of the Property indicates a market value of \$4,500; and

WHEREAS, the Property is not legally developable as a separate parcel, thus, the sale is conditioned upon it being merged with the adjoining parcels APN 013-1137-024-3 and 013-1137-025-5; and

WHEREAS, a non-refundable security deposit of \$1,000 was received for the subject property; and

WHEREAS, William T. Neill, the owner of the abutting property, (“Purchaser”) has tendered an offer to purchase the Property in the amount of \$4,500, the City’s appraised value; and

WHEREAS, it can be seen with certainty that there is no possibility that the conveyance of the Property by the City to the Purchasers may have a significant effect on the environment and therefore said conveyance is exempt from the requirements of the California Environmental Quality Act (“CEQA”) by section 15061(b)(3) of the CEQA Guidelines; 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, and the sale of the Property to the adjoining or abutting owner is in the City's best interests.

SECTION 2. The City Administrator, or her designee, is authorized to execute the Offer to Purchase and Sales Agreement from William T. Neill for the sum of \$4,500 and to execute a Quitclaim Deed conveying the Property, and any and all other documents necessary to effectuate the sale of the Property, subject to a deed restriction prohibiting any vehicular ingress and egress from 51st Street.

SECTION 3. Real Estate Services Division’s administrative costs associated with the sale of the property \$1,369 shall be reimbursed to Fund 1010, Org. 88639, Project P47010 (Surplus Property Program) and the remaining funds shall go to the General Fund 1010, since the property was originally purchased as part of the 51st Street-widening project.

SECTION 4: The City Administrator or her designee is hereby authorized to take and all actions necessary, consistent with this Ordinance, to complete the sale of the Property.

SECTION 5. The City Attorney shall approve the Offer to Purchase Agreement as to form and legality and a copy shall be files with the Office of the City Clerk.

SECTION 6. The Ordinance shall take effect immediately upon its passage.

INTRODUCED BY COUNCIL MEMBER _____

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2005
PASSED BY THE FOLLOWING VOTE:

AYES BROOKS, BRUNNER, CHANG, NADEL, REID, QUAN, KERNIGHAN, AND
 PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LA TONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

1137
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ASSESSOR'S MAP 3

Exhibit A

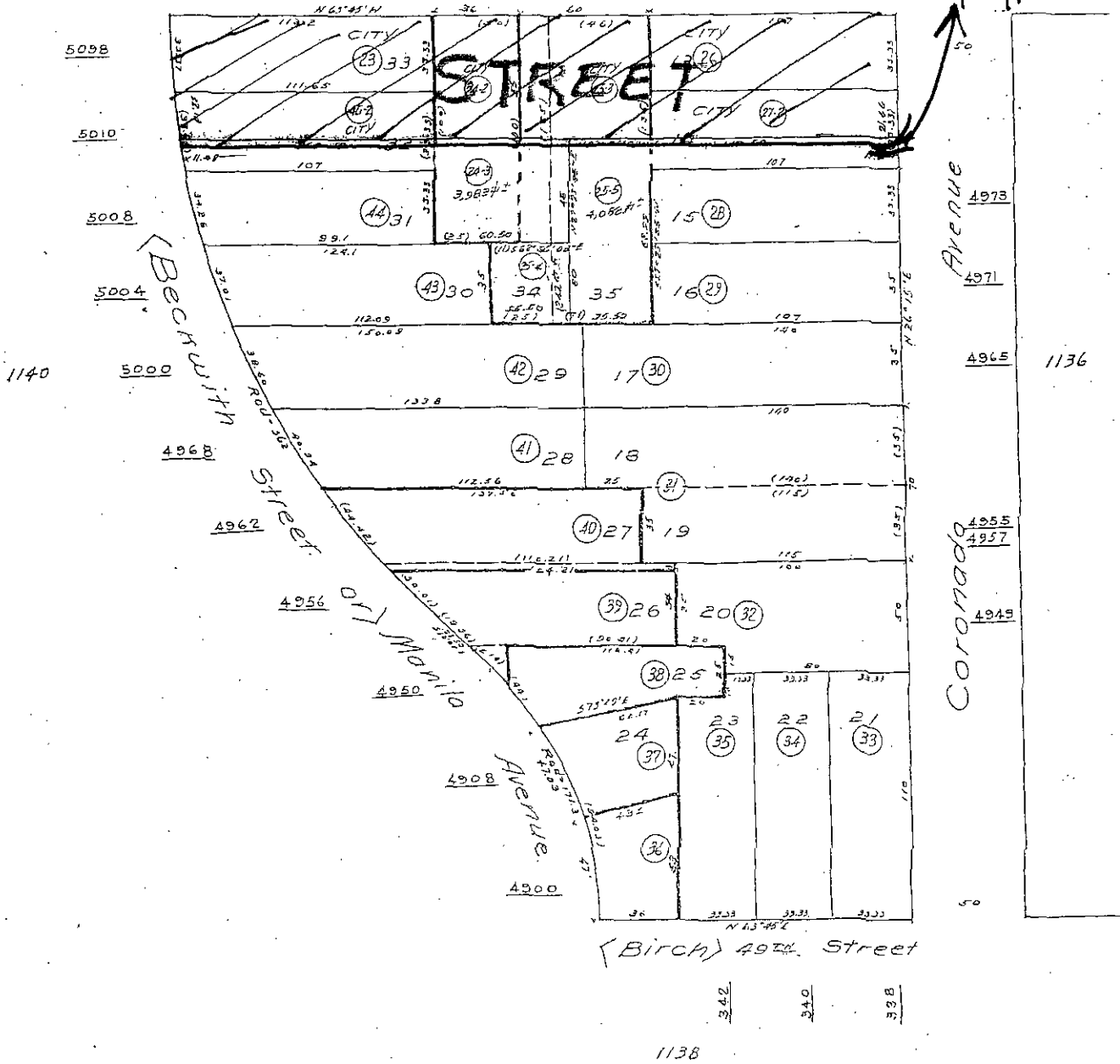
REV. 8-18-80BEM

Map of the
Coronado Tract (Bl. 24 Pg. 69)
Scale: 1" = 40'

BOOK 14

(Vernon) 51ST Street

REMAINDER
PARCELS
IN GREEN



NOTICE AND DIGEST

A CITY ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN OFFER TO PURCHASE AGREEMENT WITH WILLIAM T. NEILL, THE ADJOINING PROPERTY OWNER, FOR APPROXIMATELY 4,500 SQUARE FEET OF SURPLUS REAL PROPERTY LOCATED AT 51ST STREET BETWEEN MANILA AND CORONADO AVENUES FOR THE FAIR MARKET VALUE OF \$4,500.

An ordinance has been prepared authorizing the City Manager to sell surplus City-owned property to the adjoining property owner at 51st Street between Manila and Coronado Avenues for the fair market value of \$4,500.

The City-owned property is a vacant rectangular shaped property containing approximately 4,500 square feet. It has frontage along 51st Street and is not capable of independent development. The proposed sale would be conditioned upon the property being merged with the adjoining property located at 5010 Manila Avenue. After assembling the City-owned property with the adjoining property, the development densities beyond the existing zoning levels would not be increased. There are no City subsidies involved in the sale of the surplus property.