

2008 FEB 14 PM 12: 32

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND
AGENDA REPORT**

TO: Office of the Agency Administrator
ATTN: Deborah A. Edgerly
FROM: Community and Economic Development Agency
DATE: February 26, 2008

RE: **An Agency Resolution Authorizing the Purchase of Real Property at Sunshine Court, Oakland from Laren Hirst, for \$9,000, Plus Real Estate Closing Costs**

SUMMARY

Approval of the Redevelopment Agency is requested to purchase the property located at Sunshine Court, Oakland (APN # 040-3319-025) through a negotiated Real Property Purchase and Sale Agreement. The subject property is owned by Laren Hirst and is located in the Central City East Redevelopment Project Area in City Council District 4. The purpose of this acquisition is to complete the purchase of the last of three parcels that comprise Sunshine Court. Plans for this location (shown in Exhibit A) are to improve the road and dedicate it to the City for a public right-of-way. The Agency will fund improvements to the road and, once the road has been dedicated to the City, the City can conduct its normal maintenance as needed. The improvement to the road will convert the less than 20-foot wide right-of-way from a two way private street to a one way public street, with ingress from International Boulevard and egress via the 76th Avenue side. Staff recommends the Council adopt the attached Resolution to authorize the acquisition of the subject property.

FISCAL IMPACT

Staff proposes the following Agency funding sources for this acquisition: \$9,000 plus real estate closing costs will be allocated from the Central City East Redevelopment Project Area Operation Fund (9540), Central City East Organization (88699), and Central City East Assembly and Relocation Program Project (\$233350).

BACKGROUND

The vacant 3,000 square foot parcel on Sunshine Court is located within the Central City East Redevelopment Project Area. This parcel is the third portion of the private street and is required to accomplish the task of converting the existing two way street into a legal one way street. The Redevelopment Agency has previously approved the purchase of two adjacent lots on Sunshine Court as part of the Central City East Redevelopment Project.

Item: _____
Finance and Management Committee
February 26, 2008

KEY ISSUES AND IMPACTS

The acquisition of this vacant property is expected to occur prior to the end of March 2008. The total land area for the property is approximately three thousand (3,000) square feet. A value finding was made and an offer to purchase was made to the property owner for \$9,000. The property owner has agreed to enter into an option agreement to sell the property to the Agency for a total of \$9,000 plus closing costs, which are estimated to be approximately \$2,500. The negotiated sales price includes a non-refundable option fee of \$500 which will be applied toward the purchase price of the property. Since the property was for sale, the City secured the Real Property Purchase Option Agreement to obtain site control and to complete the third leg of the Sunshine Court right-of-way.

PROJECT DESCRIPTION

The property, a portion of Sunshine Court, is the third part of an "L" shaped private road. In July 2007, Ordinance No. 12810 C.M.S. authorized the City's purchase of the adjoining parcels on Sunshine Court from the Alameda County Tax Collector. It is in the City's best interest to acquire the subject property at the negotiated sales price to complete the street improvement and to accommodate plans for future expansion. The subject parcel presents a unique opportunity to gain site control for the right-of-way and the ability to adequately service the surrounding community.

SUSTAINABLE OPPORTUNITIES

Economic: The Agency plans to improve the site for a public right-of-way to serve the neighborhood. This project will improve neighborhood conditions and thus make the area more attractive to current and prospective residents, tenants, as well as businesses that can provide employment within Oakland.

Environmental: The acquisition of the parcel on Sunshine Court is expected to contribute to growth by creating an attractive addition to the community, stimulating neighborhood infill development.

Social Equity: The area has suffered from blight and illegal dumping. The proposed acquisition will provide a positive stimulus to local neighborhoods which are improving and where new construction is both welcomed and important to continued neighborhood growth and stability.

DISABILITY AND SENIOR CITIZEN ACCESS

The acquisition of the subject property has no direct impact on access by seniors and people with disabilities.

RECOMMENDATION AND RATIONALE

Staff recommends the adoption of the following legislation: A Resolution Authorizing the Purchase of Real Property at Sunshine Court, Oakland (APN 040-3319-025) from Laren Hirst, for \$9,000, plus real estate closing costs, for the acquisition of a portion of the private street known as Sunshine Court. Purchase of this parcel will complete the acquisition of Sunshine Court. Approving the Resolution will allow the Agency to implement improvements and development in this blighted area.

ACTION REQUESTED OF AGENCY

The Agency is requested to adopt the Resolution authorizing the purchase of real property at Sunshine Court, Oakland (APN 040-3319-025) from Laren Hirst, for \$9,000, plus real estate closing costs.

Respectfully submitted,



Dan Lindheim


Director

Community and Economic Development Agency

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

Prepared by: Frank Fanelli
Manager
Real Estate Services

APPROVED FOR FORWARDING TO
FINANCE AND MANAGEMENT COMMITTEE


Deborah A. Edgerly
Office of the City / Agency Administrator

Item: _____
Finance and Management Committee
February 26, 2008

2008 FEB 14 PM 12:32

APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO. _____ C.M.S.

AN AGENCY RESOLUTION AUTHORIZING THE PURCHASE OF REAL PROPERTY AT SUNSHINE COURT FROM LAREN HIRST, FOR \$9,000, PLUS REAL ESTATE CLOSING COSTS

WHEREAS, real property located on Sunshine Court (APN # 040-3319-025) illustrated on Exhibit "A" attached hereto (the "Property") is within the Central City East Redevelopment Project Area in Oakland; and

WHEREAS, Laren Hirst is the owner of the Property and wishes to sell the Property to the Redevelopment Agency (the "Agency") to assist the Agency in its redevelopment efforts in the Central City East Redevelopment Project Area; and

WHEREAS, the necessary property value has been determined, and a Phase I environmental investigation has been completed; and

WHEREAS, the Agency has acquired an option to purchase the Property at its fair market value of \$9,000 plus real estate closing costs (estimated to be \$2,500); and

WHEREAS, the Agency wishes to acquire the Property to complete the acquisition of the last of three parcels that comprises Sunshine Court; and

WHEREAS, the acquisition of the Property is exempt from the California Environmental Quality Act (CEQA) under Section 15061(b) (3) (no possibility of significant environmental impact), Section 15183 (projects consistent with a General Plan), Section 15301 (existing facilities), and Section 15308 (actions by regulatory agencies to protect the environment) of the CEQA Guidelines; now, therefore, be it

RESOLVED: That the Agency hereby authorizes the purchase of Property for an amount not to exceed \$9,000 plus closing costs, and authorizes the Agency Administrator to negotiate and execute a Purchase and Sales Agreement for the Property; and be it further

RESOLVED: That these funds will be allocated from Central City East Project Area Operation Fund (9540); Central City East Organization (88699); and Central City East Assembly and Relocation Program Project (S233350); and be it further

RESOLVED: That the Agency Administrator or her designee is hereby authorized to take whatever other action is necessary with respect to the acquisition consistent with this Resolution and its basic purposes; and be it further

RESOLVED: That Agency Counsel shall review and approve as to form and legality all documents and agreements to purchase the Property, and a copy shall be placed on file with the Agency Secretary.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2008

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland, California

Exhibit A

