

CITY OF OAKLAND

Agenda Report

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2003 NOV 25 AM 9:08

TO: Office of the City Manager
ATTN: Deborah Edgerly, Interim City Manager
FROM: Community and Economic Development Agency
DATE: December 9, 2003

RE: AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO AN OFFER TO PURCHASE AGREEMENT WITH JOHN H. JACOBSEN AND MARA M. JACOBSEN THE ADJOINING PROPERTY OWNERS FOR 1,500 SQUARE FEET OF SURPLUS REAL PROPERTY LOCATED AT 51ST STREET AND CORONADO AVENUE FOR THE FAIR MARKET VALUE OF \$1,500.

SUMMARY

Approval of the City Council is requested for the sale of a City-owned surplus property located at Coronado Avenue and 51st Street to the adjoining property owners 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 Coronado Avenue and 51st Street has been declared surplus property and available for disposal.

Due to a variety of reasons, the City of Oakland (City) has been unable to dispose of this surplus property. The staff reinitiated discussions with the adjoining property owners, John H. Jacobsen and Mara M. Jacobsen for the purchase of this City-owned surplus property. A legal description was developed which determined that the irregular surplus property strip contains approximately 1,500 square feet. After further negotiations, an agreement was reached to purchase the surplus property at its fair market value of \$1,500.

Staff recommends adoption of the Ordinance authorizing the City Manager to enter into an Offer to Purchase Agreement with John H. Jacobsen and Mara M. Jacobsen for the surplus property located at Coronado Avenue and 51st Street at its fair market value. Adoption of this Ordinance satisfies Mayor and City Council Priority Objectives #2 by facilitating the development of housing.

FISCAL IMPACT

The Real Estate Division will recover \$1,000 for their staff time, document preparation, appraisal fee, and administrative costs associated with the sale of the property, which shall be reimbursed to the Surplus Property Program (Fund 1010, Org. 88639, Project P47010). The Public Works Agency would receive the remaining net sales proceeds since the property was originally purchased as part of a street-widening project.

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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 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 1,500 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 4676 Coronado Avenue. After assembling the City-owned property with the adjoining property, the development densities beyond the existing zoning levels would not be increased.

The City's Real Estate Division has determined the fair market value of the surplus property to be \$1,500. The adjoining property owners have agreed to purchase the surplus property at its fair market value of \$1,500. 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 getting the property back on the property tax rolls, eliminating the ongoing maintenance, reducing future litigation exposure and generating additional property tax revenue to the City.

Disposition of this surplus property will be conditioned upon the property being merged with the adjoining property at 4676 Coronado Avenue.

SUSTAINABLE OPPORTUNITIES

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

Environmental: This property is close to public transportation nodes and may encourage use of public transit, which will ease general pressure on the regions congested transportation infrastructure.

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.

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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.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends adoption of the Ordinance authorizing the City Manager to enter into an Offer to Purchase Agreement with John and Mara Jacobsen the adjoining property owners for 1,500 square feet of surplus real property located at Coronado Avenue and 51st Street in the amount of \$1,500.

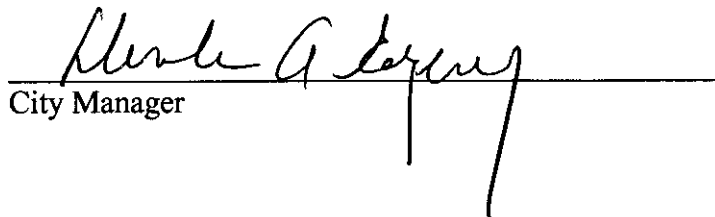
Respectfully submitted,



Daniel Vanderpriem, Director
Redevelopment, Economic Development and Housing

Prepared by:
Frank Fanelli, Manager
Real Estate Services

APPROVED FOR FORWARDING TO THE
FINANCE AND MANAGEMENT COMMITTEE



City Manager

ORDINANCE NO. _____ C. M. S.

OFFICE OF THE CITY CLERK
2003 NOV 11 AM 9:08

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO AN OFFER TO PURCHASE AGREEMENT WITH JOHN H. JACOBSEN AND MARA M. JACOBSEN, THE ADJOINING PROPERTY OWNERS, FOR 1,500 SQUARE FEET OF SURPLUS REAL PROPERTY LOCATED AT 51ST STREET AND CORONADO AVENUE FOR THE FAIR MARKET VALUE OF \$1,500.

WHEREAS, the City of Oakland ("City") owns a 1,500 square foot, vacant parcel located along the south-easterly corner of 51st Street and Coronado Avenue, Assessor's Parcel Number 013-1137-022-02 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 1,500 square feet in area; and that no easements encumber 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 was circulated pursuant to Government Code surplus property requirements, the Property may be sold through a negotiated sale; and

WHEREAS, the Property being less than 2,500 square feet is not 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 \$1,500; and

WHEREAS, the Property is not legally developable as a separate parcel, the sale is conditioned upon it being merged with the adjoining property at 4976 Coronado Avenue; and

WHEREAS, John H. Jacobsen and Mara M. Jacobsen, the owners of the abutting property, have tendered an offer to purchase the Property in the amount of \$1,500, the City's appraised value, and has executed an Offer to Purchase Agreement in that amount; 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

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FINANCE & MANAGEMENT CMTE.
DEC 9 2003

NOTICE AND DIGEST

OFFICE OF THE CITY CLERK
2003 NOV 25 10:08 AM

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO AN OFFER TO PURCHASE AGREEMENT WITH JOHN H. JACOBSON AND MARA M. JACOBSON THE ADJOINING PROPERTY OWNERS FOR 1,500 SQUARE FEET OF SURPLUS REAL PROPERTY LOCATED AT 51ST STREET AND CORONADO AVENUE FOR THE FAIR MARKET VALUE OF 1,500.

An ordinance has been prepared authorizing the City Manager to sell surplus City-owned property to the adjoining property owner at 51st Street and Coronado Avenue for the fair market value of \$1,500.

The City-owned property is a vacant rectangular shaped parcel containing approximately 1,500 square feet. It has frontage along 51st Street and is not capable of independent development. The proposed sale would be conditioned upon the parcel being merged with the adjoining property located at 4976 Coronado 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.

EXHIBIT "A"

All that real property situated in the City of Oakland, County of Alameda, State of California, described as follows:

That portion of Lot 11, as said Lot is shown upon the map entitled "Coronado Tract, Oakland, Alameda County, Cal.", filed May 11, 1909, in Book 24 of Maps, at Page 69, Alameda County Records, described in whole as follows:

BEGINNING at a point on the easterly line of Coronado Avenue, distant thereon 40.00 feet southerly from the intersection thereof with the southerly line of 51st Street (60 feet wide), as said Avenue and Street are shown on said map; thence easterly, parallel with said line of 51st Street, along the proposed southerly line of 51st Street (100 feet wide) as it now exists (widening not yet dedicated), 100.00 feet to the easterly line of said lot; thence southerly, along said line 15.00 feet; thence westerly, parallel with said line of 51st Street, 100.00 feet to the easterly line of Coronado Avenue; thence northerly, along said line 15.00 feet to the POINT OF BEGINNING.

Containing 1500 square feet, more or less.

END OF DESCRIPTION

A.P.N. 013-1137-022-02 (Portion)

Dated Nov. 10, 2003



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