

CITY OF OAKLAND

FILED
OFFICE OF THE CITY CLERK
2004 JAN 29 PM 1:01

Agenda Report

TO: Office of the City Manager
ATTN: Deborah Edgerly, Interim City Manager
FROM: Community and Economic Development Agency
DATE: February 10, 2004

RE: AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO AN OFFER TO PURCHASE AGREEMENT WITH FRANK L. CIANGI AND ANGELIQUE B. CIANGI THE ADJOINING PROPERTY OWNERS FOR 1,500 SQUARE FEET OF SURPLUS REAL PROPERTY LOCATED AT 51ST AND DESMOND STREET 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 Desmond 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 51st and Desmond Street has been declared surplus property and available for disposal.

The staff initiated discussions with the adjoining property owners, Frank L. Ciangi and Angelique B. Ciangi 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, the adjoining property owner agreed 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 Frank L. Ciangi and Angelique B. Ciangi for the surplus property located at 51st and Desmond Street at its fair market value. Adoption of this Ordinance satisfies Mayor and City Council Priority Objectives #3 by facilitating the development of housing.

FISCAL IMPACT

The Real Estate Division will recover \$1,000 for 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.

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 4975 Desmond Street. 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 no-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 4975 Desmond Street.

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.

ORDINANCE NO. _____

C. M. S.

2004 JAN 29 PM 1:01

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO AN OFFER TO PURCHASE AGREEMENT WITH FRANK L. CIANGI AND ANGELIQUE B. CIANGI THE ADJOINING PROPERTY OWNERS FOR 1,500 SQUARE FEET OF SURPLUS REAL PROPERTY LOCATED AT 51ST STREET AND DESMOND STREET FOR THE FAIR MARKET VALUE OF \$1,500.

WHEREAS, the City of Oakland ("City") owns a 1,500 square foot, vacant parcel along located at the southwesterly corner of 51st and Desmond Street, Assessor's Parcel Number 013-1137-003-02 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 4975 Desmond Street; and

WHEREAS, Frank L. Ciangi and Angelique B. Ciangi, 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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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 Manager is authorized to execute the Offer to Purchase Agreement from Frank B. Ciangi and Angelique B. Cinagi for the sum of \$1,500 and to execute a deed conveying 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 \$1,000 shall be reimbursed to Fund 1010, Org. 88639, Project P47010 (Surplus Property Program) and the remaining funds shall go to the Public Works Department, since the property was originally purchased as part of a street-widening project.

SECTION 4: The City Manager or his 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.

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

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2004
PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
 CEDA FLOYD
 City Clerk and Clerk of the Council
 of the City of Oakland, California

1137
1

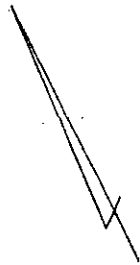
Map of Plot No 13 as per Kellersbergers Map
of the Rancho of Domingo and Vicente Perolta (Bk. 17 Pg. 12)

Map of the Coronado Tract (Bk. 24 Pg. 69)

Scale 1"=40'

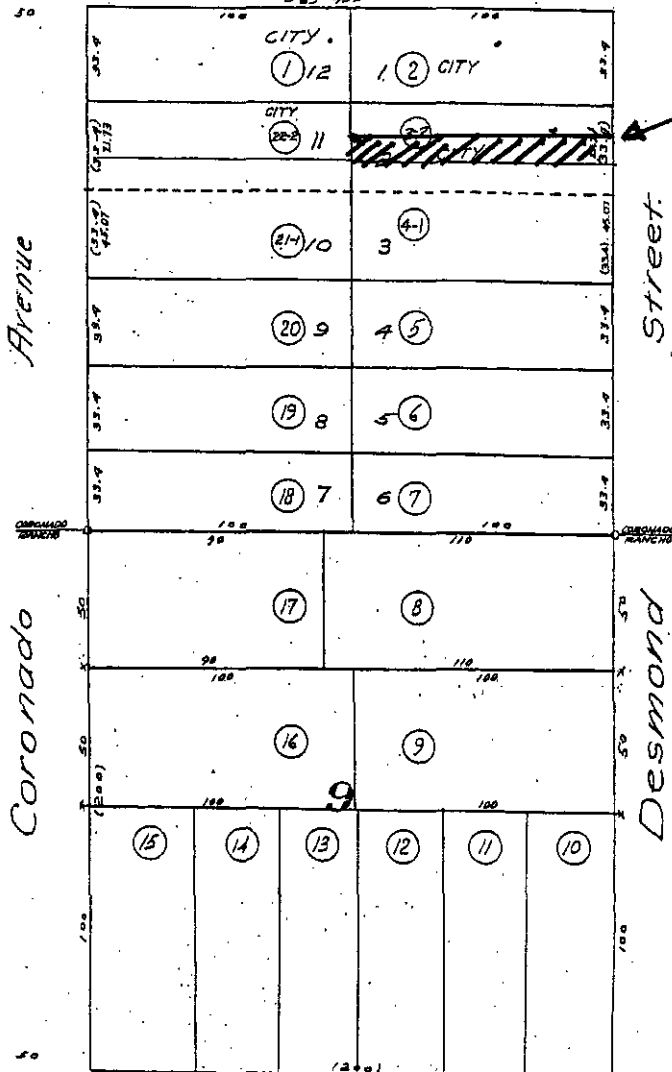
BOOK 14

REV. 7-23-80 R.M.
11-9-81 D.D.
11-04-83 C.S.L.



51st (Vernon) Street

563' ASK



SURPLUS PARCEL

4988

4982
4980

4976

4970

4964

4960

4950

4920

4977

4975

4965

4963

4959

4957

4955 Rear

4953

4949

1136

1137
Pg. 2

(Birch) 49th Street

334
332
330
328
326
324

1138

EXHIBIT "A"

11.24.45

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NOTICE AND DIGEST

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO AN OFFER TO PURCHASE AGREEMENT WITH FRANK L. CIANGI AND ANGELIQUE B. CIANGI THE ADJOINING PROPERTY OWNERS FOR 1,500 SQUARE FEET OF SURPLUS REAL PROPERTY LOCATED AT 51ST AND DESMOND STREET FOR THE FAIR MARKET VALUE OF \$1,500.

An Ordinance has been prepared authorizing the City Manager to enter into Purchase and Sales Agreements for the sale of a City-owned surplus property located at Desmond 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 51st and Desmond Street has been declared surplus property and available for disposal.

The Real Estate staff reinitiated discussions with the adjoining property owners, Frank L. Ciangi and Angelique B. Ciangi 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 and not capable of independent development. An agreement was reached to purchase the surplus property at its fair market value of \$1,500.

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FINANCE & MANAGEMENT CMTE.
FEB 1 0 2004