

OAKLAND CITY COUNCIL

ORDINANCE N° 12722 C.M.S.

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ACCEPT THE OFFER TO PURCHASE AGREEMENTS TO SELL TO BRIAN COLLINS AND MEHRDAD DOKHANCHI (HIGHEST BIDDER) APPROXIMATELY 11,500 SQUARE FEET OF CITY OWNED SURPLUS REAL PROPERTY LOCATED AT MANDELA PARKWAY (APN# 005-0421-000) FOR THE FAIR MARKET VALUE OF \$415,000; JULIA B. KIM (HIGHEST BIDDER) APPROXIMATELY 6,800 SQUARE FEET OF CITY OWNED SURPLUS REAL PROPERTY LOCATED AT 632 14TH STREET (APN# 003-0071-024) FOR THE FAIR MARKET VALUE OF \$ 1,150,000; KEVIN BAO PHAN (HIGHEST BIDDER) APPROXIMATELY 11,390 SQUARE FEET OF CITY OWNED SURPLUS REAL PROPERTY LOCATED AT 862/850 98TH AVENUE (APN# 045-5230-001-01 AND 045-5230-003-03) FOR THE FAIR MARKET VALUE OF \$ 630,000; AND JULIA B. KIM (HIGHEST BIDDER) APPROXIMATELY 5,932 SQUARE FEET OF CITY OWNED SURPLUS REAL PROPERTY LOCATED AT 569 HIGH STREET/HOWARD STREET (APN# 033-2250-001-04) FOR THE FAIR MARKET VALUE OF \$500,000.

WHEREAS, the City of Oakland (City) currently owns eight surplus land parcels that the City Council recommended be sold by oral competitive bids at a public auction, pursuant to Ordinance 11602 C.M.S.; and

WHEREAS, the City Council adopted Resolution No. 79530 C.M.S., on October 18, 2005, authorizing the Real Estate Services Division to conduct a public auction and receive oral bids at 3:00 P. M. on Friday, November 18th, in Hearing Room 3 at City Hall; and

WHEREAS, the Official Notice of Public Auction of the eight properties was advertised in the City's official newspaper the Oakland Tribune, "For Sale" signs were posted on the properties, and the Official Notice of Sale was posted on the City's web site; and

WHEREAS, bids and non-refundable security deposits in the amount of \$115,600 were received for four (4) of the eight (8) surplus properties at the Public Auction; and

WHEREAS, each property is to be sold in "AS-IS" condition and the City makes no representations with respect to the land use or other permitting issues that may affect these properties or with respect to buyer's ability to develop or improve these properties; and

WHEREAS, the right, title and interest in these properties shall be conveyed by Quitclaim Deed and subject to all matters of public record; and

WHEREAS, any successful bidder's failure or refusal to complete the purchase of any property as required shall result in a forfeiture of the respective security deposit to the City; and

WHEREAS, the sale of each property authorized by the City Council shall be awarded to the highest bidder meeting the conditions specified in the Auction Notice and Purchase and Sales Agreement; and

WHEREAS, the City reserves the right to reject any and all offers and waive any informality or irregularity in any offer or to accept any offer deemed in the best interest of the City; and

WHEREAS, it can be said 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 said conveyance is exempted from the requirements of the California Environmental Quality Act ("CEQA") by section 15061(b)(3) of the CEQA Guidelines (general rule); 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 and is surplus to the needs of the City.

SECTION 2: The City Administrator, or her designee, is authorized to accept the offers and execute the Offer to Purchase Agreements for the following City-owned surplus properties from 1) Brian Collins and Mehrdad Dokhanchi (highest bidder), approximately 11,500 square feet located at Mandela Parkway (APN# 005-0421-00) for the fair market value of \$415,000; 2) Julia B. Kim (highest bidder), approximately 6,800 square feet located at 632 14th Street (APN# 003-0071-024) for the fair market value of \$1,150,000; 3) Kevin Bao Phan (highest bidder), approximately 11,390 square feet located at 862/850 98th Avenue (APN# 045-5230-001-01 & 045-5230-003-03) for the fair market value of \$630,000; and 4) Julia B. Kim (highest bidder), approximately 5,932 square feet located at 569 High Street/Howard Street (APN# 033-2250-001-04) for the fair market value of \$500,000; and to execute on each Property a Quitclaim Deed conveying the Property.

SECTION 3: The net sale proceeds of \$2,563,180 will be placed in the General Purpose Fund (#1010), Real Estate Organization (# 88639), Sale of Land Account (# 48111), Surplus Property Disposition (# P47010), Real Estate Program (# PS32). The sale proceeds will be applied toward the Fiscal Year 2005-07 budget.

SECTION 4: The net sales proceeds of \$2,563,180 deposited in the Surplus Property Disposition Project (# P47010) shall be applied to meet Real Estate Services' Fiscal Year 2005-07 budget requirement.

SECTION 5: Real Estate Services Division's administrative costs associated with the sale of the properties in the amount of \$20,675 shall be reimbursed to the General Purpose Fund (#1010), Real Estate Organization (# 88639), Acquisition of Real Property (account #57120), Surplus Property Disposition (P47010), Real Estate Services Program (PS32).

SECTION 6: Net sales proceeds shall be reduced by \$131,820 to reimburse Self Insurance Liability (#1100), Liability Claims Unit Organization (# 90321), Acquisition of Real Property (Account # 57120) for the funds used to purchase 862-850 98th Avenue for costs associated with eminent domain action on the 98th Avenue street widening project.

SECTION 7: The City Administrator, or her designee, shall cause to be filed with the County of Alameda a Notice of Exemption for this action.

SECTION 8: The Manager, Real Estate Services, or his designee, is hereby authorized to take any and all actions necessary and execute documents, consistent with this ordinance, to complete the sale of the Property.

SECTION 9: The Offer to Purchase 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.

SECTION 10: 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.

Introduction Date: **JAN 17 2006**

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006
PASSED BY THE FOLLOWING VOTE:

FEB 07 2006

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

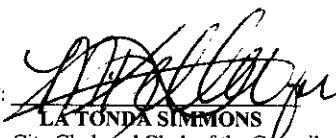
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NOES-

ABSENT-

ABSTENTION-

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

NOTICE AND DIGEST

2005 DEC 28 AM 9: 57

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An ordinance has been prepared authorizing the City Administrator to sell surplus City-owned property to the highest bidder for four city owned parcels.

The City-owned properties are no longer required for City use and have been sold in accordance with Government Code and City Ordinance 11602 C.M.S. There are no City subsidies involved in the sale of the surplus property.