

CITY OF OAKLAND

OFFICE OF THE CITY CLERK
1000 LEAVELL

2005 SEP 23 PM 2:25

Agenda Report

TO: Office of the City Administrator
ATTN: Deborah Edgerly, City Administrator
FROM: Community and Economic Development Agency
DATE: October 11, 2005

RE: A CITY ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A PURCHASE AND SALES AGREEMENT TO SELL TO GERALD CHENEY, THE ADJOINING PROPERTY OWNER, APPROXIMATELY 10,600 SQUARE FEET OF CITY OWNED SURPLUS REAL PROPERTY LOCATED AT THE TERMINUS OF NORTHWOOD COURT (APN# 048E-7319-043-05) FOR THE FAIR MARKET VALUE OF \$125,000.00.

SUMMARY

Approval of the City Council is requested for the sale of a City-owned surplus property located at Northwood Court 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 Northwood Court has been declared surplus property and available for disposal.

The staff initiated discussions with the adjoining property owner, Gerald Cheney for the purchase of this City-owned surplus property. A legal description was developed which determined that the rectangular surplus property contains approximately 10,600 square feet. After further negotiations, an agreement was reached to purchase the surplus property at its fair market value of \$125,000.

Staff recommends adoption of the Ordinance authorizing the City Administrator to enter into an Offer to Purchase and Sales Agreement with Gerald Cheney for the surplus property located at Northwood Court for its fair market value. Adoption of this Ordinance satisfies Mayor and City Council Priority Objectives #3.

FISCAL IMPACT

Sale proceeds of \$125,000 will be placed in Real Estate Surplus Property Project (1010), Real Estate Services Org (88639), Miscellaneous Sales Account (45519), Project (P47010), Program (PS32).

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In addition, the City will receive its share of the future property taxes once the property is returned to the property tax rolls and will save the ongoing maintenance costs associated with the up keep of 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 10,600 square feet. It has frontage along Skyline Boulevard, but no access. A determination was made by Planning that the subject property would have no vehicular access off of Skyline Boulevard. The remainder of the surplus parcel is adjacent to Northwood Court with impaired access off of Northwood Court. Ordinance Number 11602, Section 6 (c) requires a finding that it is in the best interest of the City to sell the access impaired parcel by a negotiated sale. Since the property is development challenged, the only access is through the adjoining property off Northwood Court. The adjoining property owner has approached the City to purchase the subject property.

The City's Real Estate Division has determined the fair market value of the surplus property is \$125,000. The adjoining property owner has agreed to purchase the surplus property at its fair market value of \$125,000. 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 an underutilized site and produce increased tax revenue for the City.
- Environmental:** Private ownership of the property will relieve 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.

RECOMMENDATION AND RATIONALE

Staff recommends that the City Council approve an ordinance authorizing the City Administrator to enter into an Offer to Purchase and Sales Agreement to sell, to the adjoining property owner, approximately 10,600 square feet of City owned surplus real property located at Northwood Court for the fair market value of \$125,000.00. Real Estate staff has determined that it is in the best interest of the City to sell the parcel to the adjoining property owner.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends adoption of the ordinance authorizing the City Administrator to enter into an Offer to Purchase and Sales Agreement, to sell to the adjoining property owner approximately 10,600 square feet of City owned surplus real property located at Northwood Court for the fair market value of \$125,000.00.

Respectfully submitted,



DANIEL VANDERPRIEM, Director,
Redevelopment, Economic Development and Housing
Community and Economic Development Agency

Forwarded by:
Frank Fanelli, Manager
Real Estate Services

Prepared by:
William W. Wilkins, Supervising Real Estate Agent
Real Estate Services

APPROVED FOR FORWARDING TO THE
FINANCE AND MANAGEMENT COMMITTEE



OFFICE OF THE CITY ADMINISTRATOR

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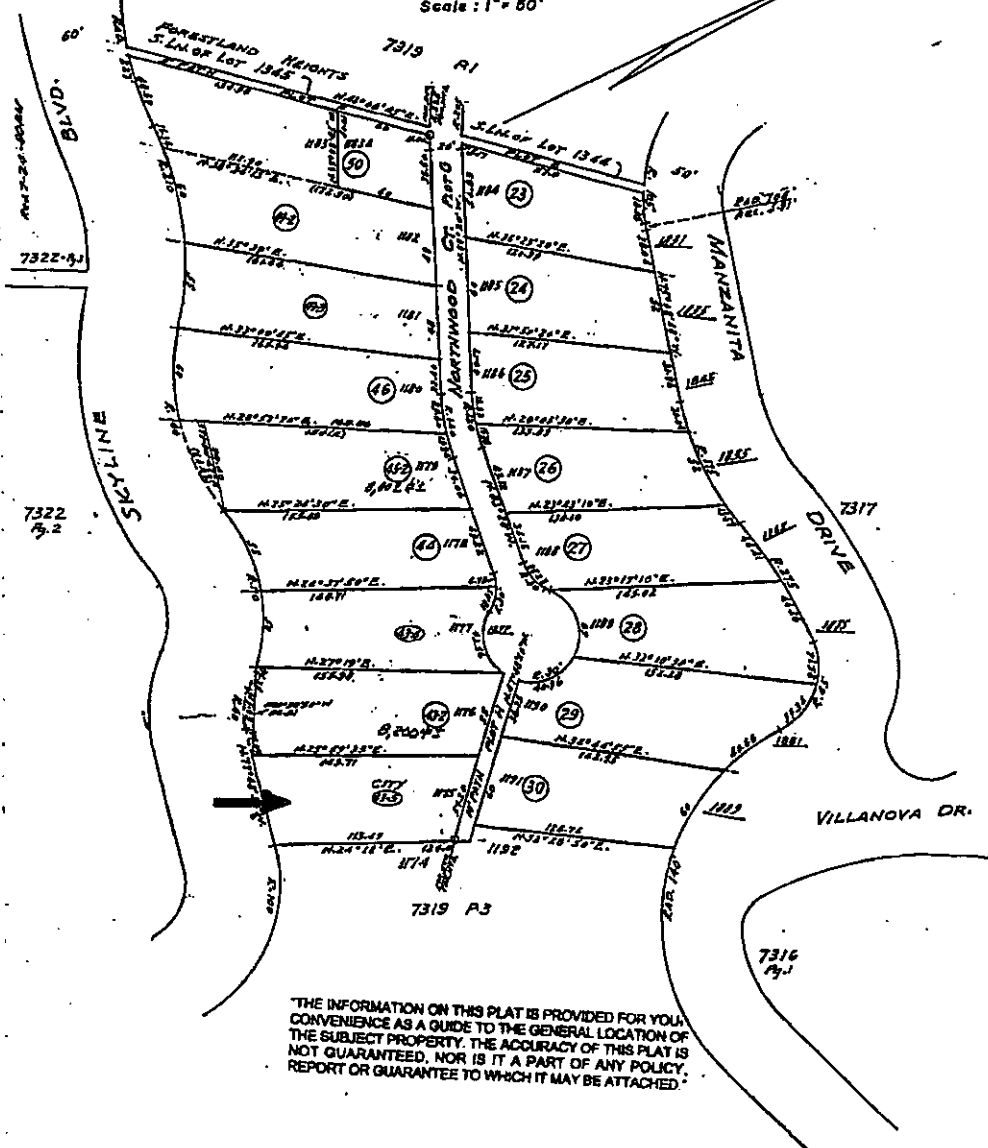
7319

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FORESTLAND EXTENSION
(BL. 4 Pgs. 80 - 83)

FORESTLAND HEIGHTS
(BL. 10 Pgs. 81 - 84)

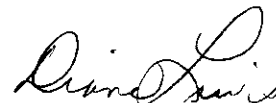
Scale: 1" = 50'



HPN-51-1

Description: Alameda, CA Assessor Map 48e. 7319 Page: 2 of 3
Order: Dan Comment:

INTRODUCED BY: COUNCIL MEMBER
OF OAKLAND


CITY ATTORNEY

2005 SEP 29 PM 3:08
ORDINANCE NO. _____ C. M. S.

A CITY ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A PURCHASE AND SALES AGREEMENT TO SELL TO GERALD CHENEY, THE ADJOINING PROPERTY OWNER, APPROXIMATELY 10,600 SQUARE FEET OF CITY OWNED SURPLUS REAL PROPERTY LOCATED AT THE TERMINUS OF NORTHWOOD COURT (APN# 048E-7319-043-05) FOR THE FAIR MARKET VALUE OF \$125,000.00.

WHEREAS, the City of Oakland ("City") owns a 10,600 square foot, surplus parcel of land located on Northwood Court, Assessor's Parcel Number 48E-7319-03-05, described in Exhibit "A" attached hereto (the Property); and

WHEREAS, the Property has imparted access issues; and

WHEREAS, a legal description has been developed that indicated that the property is 10,600 square feet in area; and that no easements encumber the property; and

WHEREAS, on July 20, 2005, the City Planning Commission determined the zoning classification for the parcel and supported the staff recommendation to the City Council; and

WHEREAS, the property is to be sold in "AS-IS" condition and the City makes no representations regarding land use or other permitting issues that may affect the property; and

WHEREAS, the property has no access from Skyline Boulevard, and access is available only from the adjoining property, the property 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, information about the surplus property was circulated pursuant to Government Code requirements and the Property may be sold through a negotiated sale; and

WHEREAS, Real Estate Service' market analysis of the Property indicates a market value of \$125,000; and

WHEREAS, Gerald Cheney, the owner of the abutting property, has tendered an offer to purchase the Property in the amount of \$125,000; and

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

WHEREAS, the Property is not legally developable as a separate parcel, without access across the adjoining property; and

WHEREAS, since the property is access impaired, it is in the best interest of the City to sell the property by negotiated sale; and.

WHEREAS, it can be seen 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, is surplus to the needs of the City, and the City is not required to put the property out for competitive bidding.

SECTION 2. The Property has impaired access and sale of the Property to the adjoining or abutting owner is in the City's best interests.

SECTION 3. The City Administrator, or her designee, is authorized to execute and accept the Offer to Purchase and Sales Agreement from Gerald Cheney the adjoining property owner, for the sum of \$125,000, and to execute a Quitclaim Deed conveying the Property, and any and all other documents necessary to effectuate the sale of the Property.

SECTION 4. Ordinance No. 11602 allows the City to conduct negotiated sales of surplus property if it is determined to be in the best interest of the City.

SECTION 5. 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).

SECTION 6. The City Administrator, or her designee, shall cause to be filed with the County of Alameda a Notice of Exemption for this action.

SECTION 7: The Manager, Real Estate Services, or his designee, is hereby authorized to take and all actions necessary, consistent with this ordinance, to complete the sale of the Property.

SECTION 8. 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 9. The ordinance shall take effect immediately upon its passage.

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

OFFICE OF THE CITY CLERK
OAKLAND

2005 SEP 29 PM 2:28 NOTICE AND DIGEST

A CITY ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A PURCHASE AND SALES AGREEMENT TO SELL TO GERALD CHENEY, THE ADJOINING PROPERTY OWNER, APPROXIMATELY 10,600 SQUARE FEET OF CITY OWNED SURPLUS REAL PROPERTY LOCATED AT THE TERMINUS OF NORTHWOOD COURT (APN# 048E-7319-043-05) FOR THE FAIR MARKET VALUE OF \$125,000.00.

An ordinance has been prepared authorizing the City Administrator to sell surplus City-owned property to the adjoining property owner at Northwood Court.

The City-owned property is a rectangular shaped property containing approximately 10,600 square feet. It has frontage along Skyline Boulevard but no access, and access will be across the adjoining parcel on Northwood Court. There are no City subsidies involved in the sale of the surplus property.