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Title: Actions pertaining to sale of approximately 0.41 acres of land at 1929 E. Church Avenue to Pavl Zachary:
1. Adopt a finding of Categorical Exemption pursuant to Section 15301/Class 1 (existing facility) of the CEQA Guidelines.
2. Approve the sale of approximately 0.41 acres of land at 1929 E Church Avenue to Pavl Zachary for \$61,000.

Sponsors: Office of Mayor & City Manager

Indexes:

Code sections:

Attachments: 1. 1929 E Church PSA 110917.pdf

Date	Ver.	Action By	Action	Result
11/9/2017	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

November 2, 2017

FROM: WILMA QUAN-SCHECTER, City Manager
Office of the Mayor & City Manager

BY: LAURA GLORIA, Business Manager
Office of the Mayor & City Manager

SUBJECT

Actions pertaining to sale of approximately 0.41 acres of land at 1929 E. Church Avenue to Pavl Zachary:

1. Adopt a finding of Categorical Exemption pursuant to Section 15301/Class 1 (existing facility) of the CEQA Guidelines.
2. Approve the sale of approximately 0.41 acres of land at 1929 E Church Avenue to Pavl Zachary for \$61,000.

RECOMMENDATION

Staff recommends the Council authorize the sale of property located on the northeast corner of E Church and South Holly Avenues in Fresno, California, APN 478-262-03T to Buyer, for \$61,000 and authorize the City Manager, or her designee, to sign all documents necessary to complete the transaction.

EXECUTIVE SUMMARY

The Asset Management Act establishes the organization and parameters for citywide assets managed by a selected real estate brokerage firm based on a competitive process. The purpose of the Act is to provide an independent, objective analysis of City assets. The City Manager's Office works directly with the Asset Managers to negotiate competitive leases, identify potential tenants, market properties, analyze and compare offers, and optimize opportunities. As such, 1929 E Church Avenue was identified as surplus land; the City met all the requirements of the Surplus Land Act and subsequently proceeded to market the property for sale.

BACKGROUND

Pursuant to the Asset Management Act, the City entered into an agreement in March of 2015 with Cushman & Wakefield/Pacific Commercial Realty Advisors for professional real estate management services. The Asset Managers compiled City data, interviewed department heads and City staff, and reviewed other pertinent information in order to prepare a Strategic Real Estate Plan for the City that was presented to Council and involved recommendations on underutilized and/or surplus properties, lease assessments, disposition recommendations, and prioritization of these actions based on City goals. The City-owned parcel at 1929 E. Church was identified as a candidate for disposition. The parcel contains a building that has deteriorated over the years and therefore the value of the parcel took into account only the worth of the land estimated at \$20,000. Before proceeding to market the property, the City must comply with the Surplus Land Act which requires that any local agency disposing of surplus land shall send, prior to disposing of that property, a written offer to sell or lease to local agencies for uses such as affordable housing, transit, parks and open space. On May 22, 2017, the City sent the above noted letters to the corresponding agencies; the City did not receive any letters of interest to purchase or lease within the 60 day required timeframe and therefore proceeded to market the property for sale.

Staff recommends the Council authorize the sale of the property to Buyer, for \$61,000 and authorize the City Manager, or her designee, to sign all documents necessary to complete the transaction. Buyer confirms that it is purchasing the Property in its "AS IS" conditions and in reliance upon its own investigation of the present condition the property and all governmental laws and ordinances which might affect its use and development.

ENVIRONMENTAL FINDINGS

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Categorical Exemption set forth in CEQA Guidelines Section 15301 which exempts projects for which there will be no change in existing use. Furthermore, Staff has determined that none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, section 15300.2 apply to this project.

LOCAL PREFERENCE

Local preference was not considered because the acquisition of this property does not include a bid or award of construction or services contract.

FISCAL IMPACT

Sale proceeds of \$61,000 will be deposited into the Disposition of Real Property Fund (Fund 21501). Recommendations for the use of these sale proceeds will be brought forward by the Administration at mid-fiscal year.

Attachment:
Purchase and Sale Agreement