

STAFF REPORT 12/11/2019

To: Honorable Mayor and City Council Members

FROM: Luis Lopez, Development Services Director

SUBJECT: Resolution No. SA-2019-03 approving the disposition of Vacant Real Property

owned by the Former Coachella Redevelopment Agency, for a sales price of \$80,000, to the City of Coachella, consisting of two (2) parcels totaling 15,246 square feet located at 1609 Fourth Street (APN 778-042-009 and 778-042-010).

STAFF RECOMMENDATION:

Staff recommends that the City Council, acting as the Successor Agency to the Former Coachella Redevelopment Agency, authorize the City Manager to execute the attached Vacant Land Purchase Agreement with the City of Coachella, transmit the agreement to the Riverside County Oversight Board for review and approval, and take all necessary actions to facilitate the sale of a vacant .035 acre real property for a sales price of \$80,000.00 by adopting the attached draft resolution.

BACKGROUND:

Pursuant to State Statutes, on December 15, 2015, the Oversight Board of the Successor Agency to the Former Coachella Redevelopment Agency approved the Revised Long-Range Property Management Plan, identifying all real property assets and their permissible uses. On December 31, 2015, the State Department of Finance approved the Successor Agency's Revised Long-Range Property Management Plan allowing disposition of old Redevelopment Agency surplus lots at fair market value. Therefore, the Agency can now sell off these parcels. Further, as of July 1, 2018, the County Oversight Board must review and approve all land conveyances by the Successor Agency prior to execution.

The subject parcels to be sold to the City of Coachella ("City") is identified as Assessor Parcel Number (APN) 778-042-009 and 778-042-010, which is located on 1609 Fourth Street. The City owns the Veteran's Memorial Park, the land diagonally across on Vine Avenue, between Fourth Street and Sixth Street. The City's intended use for this property is a continued expansion of the Veterans Park activities by providing additional space for special events and public parking for special events at the Park or the larger Pueblo Viejo District.

Successor Agency's Long Range Property Management Plan

The City's Successor Agency was required to get approval of a Long-Range Property Management Plan (LRPMP) which identifies all the properties previously owned by the Former Coachella Redevelopment Agency, pursuant to State laws. The subject properties is identified as Property 12 and 13 with a permissible use of "for sale" as shown on the exhibit below.

PROPERTY 12

1609 4th Street, Coachella CA 92236 APN: 778-042-009



This is the 1st of two (2) vacant parcels (Property Nos. 12 and 13) located in the Civic Center area, at the northeast corner of 4th and Vine Streets across from Veterans Park. The City has identified the parcels as overflow parking to serve and support Veterans Park. The zoning for these parcels is R-S (Single Family Residential), however, the General Plan would support park-related uses and medium-high density residential uses. There is a California Housing and Community Development Parks Grant for a park and an amphitheater and these parcels would be developed as part of that project.

The permissible use for these parcels is Sale of Property. These are proposed to be sales at market value. Agency proceeds from the assets being sold shall be distributed as property tax to the taxing entities.

PROPERTY 13

1609 4th Street, Coachella CA 92236 APN: 778-042-010



This is the 2nd of two (2) vacant parcels (Property Nos. 12 and 13) located in the Civic Center area, at the northeast corner of 4th and Vine Streets across from Veterans Park. The City has identified the parcels as overflow parking to serve and support Veterans Park. The zoning for these parcels is R-S (Single Family Residential), however, the General Plan would support park-related uses and medium-high density residential uses. There is a California Housing and Community Development Parks Grant for a park and an amphitheater and these parcels would be developed as part of that project.

The permissible use for these parcels is Sale of Property. These are proposed to be sales at market value. Agency proceeds from the assets being sold shall be distributed as property tax to the taxing entities.

The above statements in the LRPMP reflect the California Department of Finance's authorized actions for the City Successor Agency to dispose of these properties at fair market value and remit the proceeds of the sale to the State for distribution to the taxing agencies pursuant to the pertinent legislation (ABX1 26 which became effective in 2011, and has dissolved all redevelopment agencies as of February 1, 2012). Only those parcels that previously had governmental uses on them were allowed to be retained by the City or public entity (i.e., public parks, civic buildings, etc.)

Fair Market Value

Agency staff has established the fair market value sales price for these parcels, based on a land appraisal report prepared by TJC Property Services dated on November 17, 2019. The appraised value at this time is \$80,000.00 based on \$5.25 per square foot for the vacant 0.35 acre parcel.

FISCAL IMPACT:

The sale of the subject vacant land will require an appropriation of General Fund reserves in the amount of \$80,000 plus related closing costs. The sales proceeds will be disbursed to the taxing entities pursuant to State statutes and recognized Successor Agency obligations related thereto.

RECOMMENDATIONS:

Agency staff is recommending adoption of Resolution No. SA-2019-03 authorizing the sale of a 0.35 acre vacant parcels, located 1609 Fourth Street for a sales price of \$80,000.00 as identified in this staff report and the attachments.

Attachments: Resolution No. SA-2019-03

Purchase and Sale Agreement / Joint Escrow Instructions

LRPMP – Parcel Exhibits

Appraisal Report – TJC Property Services