



STAFF REPORT

MEETING DATE: September 27, 2023

PRESENTER: John Jansons, City Manager

SUBJECT: Revised Authorization of Purchase of Real Property, APN's 023-204-14SU, 023-204-16SU and 023-204-09 relating to new Public Safety Center (JAJ)

RECOMMENDATION: Council by motion adopt resolution approving Revised Purchase of Sale Agreement and Joint Escrow Instructions for Real Property known as the land, building and improvements, identified as APN 023-204-14SU and 023-204-16SU ("Annex") and an unimproved lot comprised of approximately 6,000 square feet, identified as APN 023-204-09 ("Lot") from the Barcus Family Limited Partnership, a California limited partnership ("Barcus FLP") and S&K Moran Family Limited Partnership, a California limited partnership in the amount of \$2,945,740.00 and Superseding the Approval of Agreement Referenced in Resolution No. 23-76.

DISCUSSION:

On September 13, 2023, City Council adopted Resolution No. 23-76, which approved a Purchase and Sale Agreement and Joint Escrow Instructions (the Agreement) for the purchase of Real Property, APNs 023-204-14SU, 023-204-16SU and 023-204-09 for a new Community Public Safety Center.

Since that approval, an issue has arisen that precludes the inclusion of the assignment of an existing lease as described in Section 3.7, B of the September 13, 2023 Agreement.

Staff now presents a Resolution, Attachment 'A' to amend the approved Agreement by removing language regarding, "Special Conditions - Existing Lease" in Section 3.7 B. The updated Agreement presented as Exhibit 'A', now has the following language removed:

~~3.7—Special Conditions. (b) Existing Lease. Seller is currently a party to that certain equipment lease for the lease of the cell tower affixed to the Annex ("Monopole Lease") which has been disclosed to Buyer. As a condition of this Agreement, Seller shall assign, and Buyer shall assume, Seller's rights, title, interest and obligations under the Monopole Lease, pursuant to that certain Assignment Agreement, attached hereto as Exhibit B and incorporated herein by reference ("Assignment").~~

The future prospective lessee informed the seller that the cellular antenna they intended to install would not be compatible with the existing monopole. As a result, they have proposed installing it on the building rooftop. This has prevented the renewal of the lease and its intended assignment. It is now recommended that the buyer (City) work directly with Lessee,

T-Mobile to determine the proper placement of the subject equipment. Since this is a material change to the original agreement, City Council approval is recommended to proceed with this priority property acquisition.

ATTACHMENTS:

A. Resolution w/Exhibit

RESOLUTION NO. 23-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN, CALIFORNIA APPROVING REVISED PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS WITH BARCUS FAMILY LIMITED PARTNERSHIP, FOR APNS 023-204-14SU, 023-204-16SU AND 023-204-09 FOR NEW COMMUNITY PUBLIC SAFETY CENTER AND SUPERSEDING THE APPROVAL OF THE AGREEMENT SET FORTH IN RESOLUTION 23-76 RECITALS

WHEREAS, on September 132, 2023, the City Council of the City of Kerman Approved a Resolution Authorizing a Purchase and Sale Agreement and Joint Escrow Instructions for the Purchase of Real Property with Barcus Family Limited Partnership, a California limited partnership and S&K Moran Family Limited Partnership, a California limited partnership in the amount of Two Million Nine Hundred Forty-Five Thousand Seven Hundred Forty and no/100 dollars (\$2,945,740.00) for APNS 023-204-14su, 023-204-16su and 023-204-09 for new Community Public Safety Center; and

WHEREAS, the Agreement included provisions in Section 3.7, B that are now unattainable; and

WHEREAS, this condition has been removed, but was a material term of the Agreement; and

WHEREAS, a change of this significance warrants approval of the revised Agreement (Exhibit 'A') to this Resolution.

NOW, THEREFORE, the City Council of the City of Kerman, California resolves as follows:

- Section 1. The above recitals are true and correct and incorporated herein by reference and the Council incorporates by reference the recitals in Resolution 23-76.
- Section 2. The City Council approves the revised Purchase and Sale Agreement and Escrow Instructions attached as Exhibit A and incorporated herein by reference.
- Section 3. The City Manager is authorized to implement the Agreement and to execute any necessary documents.
- Section 4. Authorize and direct the Director of Finance to Deposit into Escrow Good Faith Down Payment of Thirty Thousand Dollars (\$30,000).
- Section 5. This Resolution is effective upon adoption.

The foregoing resolution was considered by the City Council to the City of Kerman at a regular meeting of said Council held on the 27th day of September 2023, and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Marci Reyes
City Clerk