

RESOLUTION NO._____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIALTO OF ITS INTENTION
TO SELL SURPLUS REAL PROPERTY AND
CALLING FOR BIDS FOR 136 S. RIVERSIDE AVENUE, RIALTO, CALIFORNIA
ASSESSOR'S PARCEL NUMBER 0130-241-30**

WHEREAS, the City of Rialto (“City”) is the owner of a fee simple interest in certain real property consisting of approximately 3000 square feet, improved with a 2400 square foot commercial building, located at 136 S. Riverside Avenue, Rialto, California, with Assessor’s Parcel Number 0130-241-30 (“Property”), and as legally described in Exhibits “A”, attached hereto and incorporated herein by this reference; and

WHEREAS, on August 9, 2022, the Rialto City Council adopted its Resolution No. 7955, declaring the Property surplus in accordance with the Surplus Land Act, Government Code Section 54220 et seq. (“SLA”), completed the noticing and negotiation periods in accordance with the SLA, and received a clearance letter from the California Department of Housing and Community Development, dated October 14, 2022; and

WHEREAS, the City Council may, pursuant to Government Code section 37350, dispose of real property for the common benefit; and

WHEREAS, the City now intends to proceed with the sale of the Property to members of the public in accordance with law;

NOW, THEREFORE, BE IT RESOLVED that the City Council (“City Council”) hereby finds, determines and orders as follows:

Section 1. **Recitals.** The foregoing recitals are adopted as true and correct, and incorporated herein by this reference.

Section 2. **Declaration of Intention.** The City Council hereby declares its intention to sell the Property in accordance with the terms of this Resolution.

Section 3. Auction Bid Process. The City will accept oral bid proposals from potential buyers (“Bidders”) for the Property at 3:00 p.m. on Friday, December 16, 2022 (“Bid Date”), at the Rialto City

1 Council Chambers, 150 S. Palm Avenue, Rialto, CA 92376. The City Manager or his designee is hereby
2 authorized to conduct the oral bidding auction on the Bid Date.

3 Section 4. **Bid Security.** The successful bidder shall submit to the City at the time of being
4 declared the successful bidder a certified check or cashiers' check made payable to the City of Rialto in
5 the amount of three percent (3%) of the bid amount ("Bid Security"). The Bid Security of the successful
6 Bidder will be retained by the City and credited to the required Purchase Price Deposit.

7 Section 5. **City Council's Acceptance of Highest Bids.** The highest oral bid proposal shall
8 be presented to the City Council for approval within forty-five (45) days of the bid date. The City Council
9 may select the highest qualified bid or, if deemed to be in the best interest of the City, reject any and all
10 bids and withdraw the Property from sale or call for a re-bidding.

11 Section 6. **Protest Period.** Any protest related to the successful Bidder's bid shall be made by
12 4:00 P.M. on the third (3rd) business day after the Bid Deadline Date. Any protest received after this time
13 period will not be considered by the City.

14 Section 7. **City's Mandatory Forms.** Bidders must also accept City's standard form of
15 Purchase and Sale Agreement ("PSA") attached hereto as Exhibit "C." Although a Bidder may propose
16 changes to the PSA, unless otherwise agreed to by the City, the Bidder shall agree that the existing terms
17 and conditions of the PSA will be binding upon the successful Bidder. Any proposed changes to the PSA
18 must be submitted with a Bidder's Bid Proposal. Any proposed material change to the existing terms and
19 conditions of the PSA shall render such bid a counteroffer that may or may not be considered by the City,
20 at the City's sole discretion. The City reserves the right to make non-substantive changes to the PSA. The
21 successful Bidder shall be required to execute the PSA as a requirement for final acceptance by the City
22 Council. Any Bid that does not conform to these requirements will be considered non-responsive.

23 Section 8. **Proof of Funds.** Bidders must supply proof of funds equal to or greater than the
24 amount of bid at the time of making their oral bid proposals. This proof of funds shall be in a form
25 sufficiently reliable so the City's City Council is convinced of its sufficiency (e.g., a notarized letter of
26 credit from a recognized bank; a cashier's check from a recognized bank, etc.) The City shall require
27 verification of the proof of funds immediately following the Bid Deadline Date, in no event longer than
28 two (2) business days after the Bid Deadline Date.

Section 9. **Pre-Bid Meeting:** Prospective Bidders interested in purchasing the Property are
encouraged to attend a pre-bid meeting to be held on Tuesday, November 29, 2022 at 10:00 a.m., at the
Rialto City Council Chambers, 150 S. Palm Avenue, Rialto, CA 92376. Site-specific information
regarding the Property will be available via the City's website (<http://www.yourrialto.com>) for prospective
Bidders to download. Additionally, copies of all written information discussed at the pre-bid meeting shall
be maintained at the Economic Development Division and will be available for review following the pre-
bid meeting during regular City operating hours.

Section 10. **Request for Property Information.** All requests for the Bid Proposal or the PSA
shall be submitted via email to Kathy Brann, Economic Development Manager at kbrann@rialto.ca.gov.

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2 **Section 11. Conditions to the Sale of the Property.** The following shall be the minimum
3 conditions to the City's obligation to sell the Property:

- 4 a. The Property will be sold at a minimum acceptable purchase price of ONE HUNDRED
5 NINETY THOUSAND AND 00/100 DOLLARS (\$190,000) ("Minimum Bid"). The City
6 shall require full payment of the purchase price at the Close of Escrow.
- 7 b. The Property shall be sold in its "AS-IS" condition:
- 8 i. The City shall not be responsible for inspections, certifications or work relating to the
9 physical condition of the Property;
- 10 ii. The City shall not warrant the physical or environmental condition of the Property;
- 11 iii. The City shall not warrant that the components, systems, or appliances and/or other
12 enumerated features of the Property are free from damage or defect; and
- 13 iv. The City shall not warrant the zoning or land use provisions or restrictions affecting
14 the Property or any other matters affecting or concerning the Property.
- 15 c. The City may pay real estate commissions on the sale of the Property, in an amount not to
16 exceed three (3) percent.
- 17 d. The Closing Date for the purchase and sale transactions shall occur no later than 30 days
18 after the expiration of the Due Diligence Period set forth in Section 2.4 of the PSA. During
19 the Due Diligence Period, the successful Bidder shall, at its sole cost and expense, act
20 diligently and in good faith to conduct its due diligence to satisfy itself regarding the
21 condition of the Property for the successful Bidder's intended use of the Property.
- 22 e. The successful Bidder shall agree to the City's form of PSA.

23 **Section 12. Escrow.** Within five (5) business days following the Effective Date of the PSA, the
24 City and the successful Bidder shall cause Escrow to be opened for sale of the Property by delivering into
25 Escrow a fully executed original of the PSA, and the successful Bidder delivering to the City a certified
26 or cashiers' check made payable to the City of Rialto in the amount of seven percent (7%) of the amount
27 of the Purchase Price, in addition to the amount of the Bid Deposit, for a total deposit of ten percent (10%)
28 of the Purchase Price ("Purchase Deposit"). The failure of the successful Bidder to timely comply with
the requirement to deposit the Purchase Deposit shall result in the immediate and unconditional forfeiture
to the City of the entire Bid Security, whereupon all remaining obligations of the City and the successful
Bidder shall automatically be null and void without any further action by either party.

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PASSED APPROVED AND ADOPTED this ____ day of _____, 2022.

DEBORAH ROBERTSON, Mayor

ATTEST:

BARBARA McGEE, City Clerk

APPROVED AS TO FORM:

ERIC VAIL, City Attorney

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2 **STATE OF CALIFORNIA**)
3 **COUNTY OF SAN BERNARDINO**) ss
4 **CITY OF RIALTO**)

5 I, Barbara A. McGee, City Clerk of the City of Rialto, do hereby certify that the
6 foregoing Resolution No. _____ was duly passed and adopted at a regular meeting of
7 the City Council of the City of Rialto held on the ____ day of _____ 2022.

8 Upon motion of Councilmember _____, seconded by Councilmember
9 _____, the foregoing Resolution No. _____ was duly passed and
10 adopted.

11 Vote on the motion:

12 AYES:

13 NOES:

14 ABSENT:

15 IN WITNESS WHEREOF, I have hereunto set my hand and the Official Seal of
16 the City of Rialto this ____ day of _____, 2022.

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19 _____
20 BARBARA A. MCGEE, City Clerk
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