



# City of Rialto

## Legislation Details (With Text)

**File #:** 17-1143      **Version:** 1      **Name:**  
**Type:** Agreement      **Status:** Agenda Ready  
**File created:** 12/6/2017      **In control:** City Council  
**On agenda:** 1/23/2018      **Final action:**  
**Title:** Request City Council, Acting as the Rialto Successor Agency, to Approve a Purchase and Sale Agreement by and between the Rialto Successor Agency and Rapido Investments 2014, LLC for an RSA parcel located on McWelthy Street (APN 0243-151-59) for a Sales Price of \$30,000.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Exhibit A - Site Map, 2. Exhibit B - Rialto PSA, 3. Exhibit C - Appraisal

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

For City Council Meeting and the City of Rialto, Acting as the Successor to the Redevelopment Agency for City Council Meeting [January 23, 2018]

**TO:** Honorable Mayor and City Council  
**APPROVAL:** Robb Steel, Interim City Administrator  
**FROM:** John Dutrey, Project Manager

Request City Council, Acting as the Rialto Successor Agency, to Approve a Purchase and Sale Agreement by and between the Rialto Successor Agency and Rapido Investments 2014, LLC for an RSA parcel located on McWelthy Street (APN 0243-151-59) for a Sales Price of \$30,000.

**BACKGROUND:**

Rapido Investments 2014, LLC (“Purchaser”) proposes to acquire the Rialto Successor Agency parcel (APN 0243-151-59) (“RSA Parcel”). The RSA parcel is located at the end of Ashford Avenue, east of Maple Avenue and north of McWelthy Street. The Purchaser proposes to develop two single-family homes. A map (**Exhibit A**) depicts the RSA Parcel.

**ANALYSIS/DISCUSSION:**

The RSA Parcel consists of approximately 20,130 square feet with no street frontage or public right-of-way improvements. In 2005, the former Redevelopment Agency purchased the property from the County Tax Collector for \$2,800.

The principal terms of the Purchase and Sale Agreement (**Exhibit B**) are summarized below:

**Purchase Price:** \$30,000

Deposit: \$2,000

Contingency Period: 30 Days

Extension Periods: Three 30 Day Extensions

Additional Deposit(s): \$1,000 for each contingency extension

Escrow Closing: Within 60 days from Property Approval Notice

Transaction Costs: Split Escrow Fees  
CLTA Title Policy paid by RSA  
No commission

The RSA appraiser valued the parcel at \$1.49 per square foot for a total value of \$30,000 (**Exhibit C**).

The Purchase and Sale Agreement is subject to approval of the Oversight Board and the State Department of Finance.

**ENVIRONMENTAL IMPACT:**

The action to approve the Purchase and Sale Agreement is an administrative activity of the City Council and is not defined as a Project under the California Environmental Quality Act (CEQA) Pursuant to Section 15378 of CEQA. A 'Project' means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. A project does not include organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment

**GENERAL PLAN CONSISTENCY**

The City of Rialto has identified several goals and objectives within the City's recently adopted General Plan through which the City looks to improve the community.

Goal 3-1: Strengthen and diversify the economic base and employment opportunities, and maintain a positive business climate.

Goal 3-3: Attract, expand, and retain commercial and industrial businesses to reduce blighted conditions and encourage job growth.

**LEGAL REVIEW:**

The City Attorney reviewed and approved the staff report and the Purchase and Sale Agreement.

**FINANCIAL IMPACT:**

All taxing entities will share in the land sales proceeds based upon their respective share of the general levy property tax. The RSA will deposit net sale proceeds of \$30,000, minus escrow costs, with the County Auditor/Controller's Office, which will disburse these funds to the various taxing

agencies with the regular property tax distributions. The City will receive about 14% of the property tax distributions. The City will allocate the proceeds to Redevelopment Successor Agency Fund Account No. 343-400-1740-7711. Staff will convey funds of about \$30,000 to the County Auditor/Controller Office from Redevelopment Successor Agency Fund Account No. 343-500-1740-2060.

**RECOMMENDATION:**

Staff recommends that the City Council, acting for the Rialto Successor Agency:

- 1) Approve Purchase and Sale Agreement between the Rialto Successor Agency and Rapido Investments 2014, LLC for the sales price of \$30,000 (APN 0243-151-59).
- 2) Authorize staff to convey funds of \$30,000 to the County Auditor/Controller for distribution to taxing entities, pursuant to the Redevelopment Dissolution Act.