



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
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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.