RESOLUTION NO. ______________

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING THE USE OF A PURCHASE AND SALE AGREEMENT WITH DEL GRANDE PROPERTIES FOR THE SALE OF 6,708 SQUARE FEET OF VACANT SURPLUS LAND AT THE CORNER OF ALMADEN BOULEVARD AND CARLYSLE STREET IN THE AMOUNT OF $1,341,600, AND AUTHORIZING THE CITY MANAGER OR DESIGNEE TO NEGOTIATE AND EXECUTE THE PURCHASE AND SALE AGREEMENT, THE DEED, AND ALL OTHER DOCUMENTS NECESSARY TO COMPLETE THE TRANSACTION AND ANY AMENDMENTS OR MODIFICATIONS

WHEREAS, the City of San José ("City") owns an approximately 6,708 square foot vacant parcel of land located at the corner of Almaden Boulevard and Carlyle Street ("Property"); and

WHEREAS, in April 2009, the City sent notices of the availability of the Property to preferred entities to satisfy the notice requirements of California Government Code Section 54222 and the City did not receive any responses; and

WHEREAS, in June 2009, the City Council adopted Resolution No. 74994 declaring the Property surplus to the needs of the City and authorizing the City Manager to proceed with disposition of the Property; and

WHEREAS, in 2013, the Property was advertised for sale on the open market in accordance with San José Municipal Code Chapter 4.20, three bids were received, and Del Grande Properties, the owner of the three parcels adjacent to the Property, was determined by the City to be the highest, most qualified bidder; and
WHEREAS, on September 27, 2014, the Governor of California approved Assembly Bill 2135 (“AB 2135”), which requires local government agencies to impose certain affordable housing restrictions when disposing of surplus property, and although as a charter city San José would not have been subject to the requirements of AB 2135, on April 26, 2016, the City Council adopted Resolution No. 77725, updating the City’s procedure for the disposition of surplus City-owned property to reflect the general terms of AB 2135; and

WHEREAS, because the pending sale of the Property was suspended during the period of time between the approval of AB 2135 and the adoption of Resolution No. 77725, an appraisal was performed in November 2016 which determined the current fair market value of the property to be $1,340,000, and as a result Del Grande Properties increased its bid to $1,341,600; and

WHEREAS, the City recommends moving forward with the sale of the Property to Del Grande Properties in the amount of $1,341,600;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. The use of a purchase and sale agreement between the City and Del Grande Properties for the sale of the Property, in the amount of $1,341,600, is hereby approved.

2. The City Manager or his designee is hereby authorized to negotiate and execute the purchase and sale agreement, the deed, and all other documents necessary to complete the transaction, and any amendments or modifications, in accordance with the terms outlined in the memorandum to City Council dated June 5, 2017.
ADOPTED this _____ day of __________, 2017, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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SAM LICCARDO
Mayor

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TONI J. TABER, CMC
City Clerk