



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 12, 2016

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Introduction Of Ordinances Approving Sales Of Excess City Lands Related To The Cota Street Bridge Replacement Project

RECOMMENDATION: That Council:

- A. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving and Authorizing the City Administrator to Execute the Land Purchase Agreement, Escrow Instructions, and Grant Deed for the Sale of Certain City Excess Land, Located at 221 West Cota Street, to Sarintha Bell in the amount of \$701,550; and
- B. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving and Authorizing the City Administrator to Execute the Land Purchase Agreement, Escrow Instructions, and Grant Deed for the Sale of Certain City Excess Land, Located at 230 West Cota Street, to Ashley Nicole Mines and Brad Travis Moore in the amount of \$736,032.

DISCUSSION:

On July 14, 2015, Council authorized the sale of excess real properties located at 221 and 230 West Cota Street, and 536 Bath Street (Properties) pursuant to the Municipal Code Chapter 4.28. The Properties were acquired as necessary right of way acquisitions for the Cota Street Bridge Replacement Project (Project), which is now substantially complete.

On September 15, 2015, a contract for professional services with Goodwin and Thyne Properties (Goodwin and Thyne) was approved for the listing and bid-auction sale of the Properties. The professional services agreement allowed for a three and one-half percent selling commission, one and one-half percent to be paid to Goodwin and Thyne as the listing agent, and two percent to the buyer's agent, should there be one. In the absence of a buyer's agent, the total selling commission would be one and one-half percent of the total sales price to Goodwin and Thyne.

SUMMARY OF EXCESS PROPERTIES (Attachments 1 and 2):

1. 221 West Cota Street (APN: 037-161-002) is a duplex consisting of two one-bedroom, one-bath units. It is located adjacent to the southeasterly bank of Mission Creek. The property was originally acquired as approved by Council on April 9, 2013, as a necessary right of way acquisition for the Project.
2. 230 West Cota Street (APN: 037-121-018) is a three-bedroom, one-bath, single-family residence that was in the process of being renovated when acquired. It is located adjacent to the northwesterly bank of Mission Creek. The property was originally acquired as approved by Council on July 16, 2013, as a necessary right of way acquisition for the Project.
3. 536 Bath Street (APN 037-161-001) is a two-bedroom, one-bath, single-family residence. It is located adjacent to the southwesterly bank of Mission Creek. The property was originally acquired as approved by Council on April 9, 2013, as a necessary right of way acquisition for the Project.

The Properties and the areas adjacent to the newly completed Cota Street Bridge and Creek walls have been provided new landscaping and irrigation improvements. The driveway at the 536 Bath Street property was graded and repaved due to damages caused by tree root obstructions and vehicle use during bridge construction.

Environmental Review:

In accordance with Caltrans Environmental Handbook (Volume 2), Caltrans, as the agency responsible for compliance, required a complete environmental assessment under the Federal Highway Administration Guidelines.

The assessment was performed to City standards, under the Master Environmental Assessment guidelines pertaining to historic structures and sites. The approved Historic Property Survey Report (Applied Earthworks, Inc., June 2011) and Memorandum (Applied Earthworks, Inc., May 23, 2011) state that the subject properties (221 West Cota Street, 536 Bath Street, 230 West Cota Street) and the Cota Street Bridge were not found to be historically significant. No mitigation was required.

Marketing and Sale of Land and Noticing of Auction:

Goodwin and Thyne was contracted to manage the marketing and bid-sale process as well as a market analysis for the excess Properties. A minimum offer/bid price for each of the properties was established. The Properties were listed in the Multiple Listing Service, on the internet, and advertised in local print publications on several occasions. Notice of the City's bid/auction process was published on two different occasions, detailing the

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terms, dates, and location of the sealed bid/auctions. Information packages were made available to all interested parties, five weeks prior to the auctions.

As advertised, on March 22, 2016, at 10:00 am, and 1:00 pm, and then again on March 23, 2016 at 2:00 pm, the bid/auctions took place at 630 Garden Street in the main Public Works Conference Room for the respective properties, with the General Services Manager administering the sales.

The 221 West Cota property bid/auction produced one qualifying minimum bid, in the amount of \$701,550, submitted by Sarintha Bell. Evidence of financial capability to complete the purchase was demonstrated and a deposit of \$21,046.50 was submitted with the bid, as required.

The 230 West Cota Street property bid/auction produced two qualifying minimum bids; one for the minimum price of \$695,000, and a second bid for \$736,032 presented by the real estate agent for Ashley Nicole Mines and Brad Travis Moore. Evidence of financial capability to complete the purchase was demonstrated and a deposit of \$22,081 was submitted with the highest bid, as required.

The 536 Bath Street property bid/auction for did not receive a qualifying minimum bid and is being rescheduled for second bid/auction on April 7, 2016, with a lower minimum bid requirement.

Financial – Escrow:

Upon execution of the Purchase Agreements and Escrow Instructions by the City Administrator, escrows will be opened and administered by First American Title Company. Title insurance and escrow fees will be split between the City and the buyer. The escrow will also administer the payment of the seller-agent sales commissions and distribute the net remaining sales proceeds to the City as follows:

221 West Cota Street:

Gross sale amount	\$701,550.00
Commission (1.5 percent to seller- agent)	-\$10,523.25
One-half Title Insurance & Escrow fees (approximate)	-\$2,039.10
Net proceeds to City (approximate)	\$688,987.65

230 West Cota Street:

Gross sale amount	\$736,032.00
Commission (1.5 percent to seller-agent)	-\$11,040.48
Commission (2 percent to buyer-agent)	-\$14,720.64
One-half Title Insurance & Escrow fees (approximate)	-\$2,084.08
Net proceeds to City (approximate)	\$708,186.80

Upon close of escrow, and the effective date of the approving Ordinance, First American Title will be authorized to record the Grant Deeds for the Properties in the Official Records of Santa Barbara County, and the transfer of the titles will be completed.

The City anticipated proceeds from the sale of these three properties and previously appropriated expenditures and estimated revenues from net proceeds. The appropriations were used to cover the remaining City funded construction match for the Cota and Mason Bridge Replacement Projects and a portion of the remaining City funded construction match for the Cabrillo Boulevard Bridge Replacement Project. Net proceeds will be deposited into the revenue accounts designated for sale of property for these bridge replacement projects.

Staff recommends that Council approve the Ordinances as presented and authorize the City Administrator to execute the Purchase Agreements and Grant Deeds for the sale of the Properties, as approved to form by the City Attorney.

Once the auction process is completed for the 536 Bath Street property, staff will return to Council with the final purchase agreement and escrow instructions.

ATTACHMENT(S): 1. Parcel Map for 221 West Cota and 536 Bath Streets
2. Parcel Map for 230 West Cota Street
3. Vicinity Map of Properties

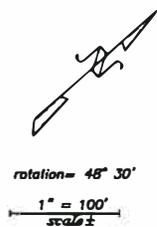
PREPARED BY: John Ewasiuk, Principal Engineer/DT/kts

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office

POR. PUEBLO LANDS

037-16



NOTICE
 Assessor Parcels are for tax assessment purposes only and do not indicate either parcel legality or a valid building site.

City of Santa Barbara
 Assessor's Map Bk, 037-Pg. 16
 County of Santa Barbara, Calif.

00/00/0000 R.M. Bk. B , Pg. 501 , Tract "Subdivision of Block 231"

(LD/10) 163-26 into new pg 57
 161-32 into 161-36 & 37
 161-11 into 161-36 & 39
 161-28 renumber to 161-40

221, 230 W. Cota Street and 536 Bath Street Excess Properties for Sale ATT 3

