

CITY OF ALAMEDA ORDINANCE NO. ____
NEW SERIES

AUTHORIZING ACCEPTANCE OF THE PROPERTY LOCATED AT 2350 FIFTH STREET FROM THE SUCCESSOR AGENCY TO THE COMMUNITY IMPROVEMENT COMMISSION OF THE CITY OF ALAMEDA IN ACCORDANCE WITH THE TERMS OF A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY TO THE COMMUNITY IMPROVEMENT COMMISSION OF THE CITY OF ALAMEDA; AND AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO EXECUTE THE PURCHASE AND SALE AGREEMENT FOR AN AMOUNT NOT TO EXCEED \$430,000 WITH THE SUCCESSOR AGENCY AND TO TAKE OTHER ACTIONS NECESSARY TO COMPLETE CONVEYANCE OF THE PROPERTY

WHEREAS, pursuant to AB1x26 (as amended by AB 1484 and SB 107, collectively referred to as the "Dissolution Act"), the separate legal entity known as the Successor Agency of the Community Improvement Commission of the City of Alameda ("SACIC") is responsible for disposing of the properties of the former Community Improvement Commission of the City of Alameda ("CIC"); and

WHEREAS, pursuant to the Dissolution Act (Health & Safety Code Section 34191.5), the SACIC prepared a Long-Range Property Management Plan ("LRPMP") which addressed the disposition and use of the real properties of the CIC; and

WHEREAS, the LRPMP was approved by the Oversight Board for the SACIC on February 24, 2015 and approved by the State of California Department of Finance ("DOF") by letter dated March 12, 2015; and

WHEREAS, pursuant to the Dissolution Act (Health & Safety Code Section 34191.3), the approved LRPMP shall govern, and supersede all other statutory provisions relating to the disposition and use of all the real property assets of the Former CIC; and

WHEREAS, the approved LRPMP provides that the real property commonly referred to as the "Bottle Parcel" due to its shape, located at 2350 Fifth Street, Alameda, California (APN 074-1356-023), consisting of approximately 0.82 acres, shall be marketed for sale at fair market value, with the net proceeds to be distributed among the local taxing entities; and

WHEREAS, the LRPMP estimates the value of the Bottle Parcel at \$250,000; and

WHEREAS, an appraisal dated October 18, 2022, appraises the estimated market value of the fee simple interest in the subject property, in its as-is condition, as of July 23, 2022, to be four hundred thirty thousand dollars (\$430,000); and

WHEREAS, after diligent and good faith efforts to market the Bottle Parcel, including two separate negotiations for sale with potential buyers in 2018 and 2020 that were ultimately not consummated, the SACIC has been unable to sell the Bottle Parcel to a private developer at fair market value, in part because the Bottle Parcel currently lacks access to municipal utility services required for further development; and

WHEREAS, on October 2, 2018, pursuant to SB 850, Chapter 48, Statutes of 2018 and Government Code Section 8698.2, the City of Alameda ("City") declared a shelter crisis within the City; and

WHEREAS, on January 8, 2020, Governor Gavin Newsom issued Executive Order N-23-20 "to reduce street homelessness, break down barriers to homeless individuals accessing health care and other critical services, and to increase housing options for those experiencing homelessness," and requesting government and non-profit agencies "to examine their own ability to provide shelter and house homeless individuals on a short-term emergency basis and coordinate with local authorities to provide shelter and house individuals"; and

WHEREAS, on or about November 16, 2021, the City, the SACIC, Five Keys Schools and Programs ("Five Keys"), a California nonprofit public benefit corporation, and DignityMoves, a California nonprofit public benefit corporation, (collectively, "Grant Applicants") entered into a Memorandum of Understanding to apply for a grant from the State Housing and Community Development Department's ("HCD") Project Homekey Round 2 fund ("Homekey") to develop interim supportive housing on the Bottle Parcel; and

WHEREAS, the 2021 Memorandum of Understanding between the Grant Applicants set forth the general terms, scope, and purpose of the Homekey project on the Bottle Parcel, and the Applicants' responsibilities thereto; and

WHEREAS, on or about March 1, 2022, HCD approved the Grant Applicants' Homekey application and awarded them a \$12.3 million grant to develop interim supportive homeless housing on the Bottle Parcel; and

WHEREAS, as required to effect HCD's Homekey grant, and as previously approved by the City Council, the City, SACIC, DignityMoves and Five Keys will enter into a Standard Agreement with HCD setting forth the terms and allowable expenditures and activities for development of the Bottle Parcel pursuant to the Homekey grant; and

WHEREAS, as required to comply with the Dissolution Act and the approved LPRMP, and to allow construction and eventual operation of the interim supportive homeless housing development pursuant to the Homekey grant, the SACIC must transfer title to the Bottle Parcel to the City; and

WHEREAS, to transfer title to the Bottle Parcel to the City, the SACIC and the City must execute a purchase and sale agreement; and

WHEREAS, the City Manager requires authorization from the City Council to execute a purchase and sale agreement reflecting a purchase price of \$430,000 and to take other actions necessary to transfer of the Bottle Parcel to the City.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Alameda that:

SECTION 1. The foregoing recitals are true and correct, and, together with information provided by City staff and the public, if any, form the basis for the approvals, findings, resolutions, and determinations set forth below.

SECTION 2. The City Council approves, authorizes, and directs acceptance of title to the Bottle Parcel from the SACIC to the City in accordance with the terms and conditions of a purchase and sale agreement to be executed by the City Manager.

SECTION 3. The City Council approves, authorizes, and directs the City Manager to execute a conveyance agreement to transfer title to the Bottle Parcel from the SACIC to the City, and to take all actions necessary to successfully implement the purchase and sale agreement and complete disposition of the Bottle Parcel to the City.

SECTION 4. The City approves, authorizes, and directs the City Manager to take all actions necessary and appropriate under the Dissolution Act to effectuate the purposes of this Ordinance.

SECTION 5. If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The City Council of the City of Alameda hereby declares that it would have passed this Ordinance, and each section, subsection, clause, or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases are declared to be invalid and unconstitutional.

SECTION 6. This Ordinance shall be in full force and effect from and after the expiration of thirty (30) days from the date of its final passage.

Presiding Officer of the City Council

Attest:

Lara Weisiger, City Clerk

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I, the undersigned, hereby certify that the foregoing Ordinance was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the ____ day of _____, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the seal of said City this ____ day of _____.

Lara Weisiger, City Clerk
City of Alameda

APPROVED AS TO FORM:

Yibin Shen, City Attorney
City of Alameda