

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE
APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN OAK ROAD
CAPITAL, LLC AND THE CITY OF COMMERCE**

WHEREAS, in June 2019, the City of Commerce began engaging developers on the economic development opportunities that exist within the Washington Boulevard corridor such as; housing, dining, mixed-use development, retail, and neighborhood services. After careful consideration, the City selected Oak Road Capital, LLC, to pursue a mixed-use project on City owned properties located at 5733 Sheila Street and 5736 East Washington Boulevard ("Two Parcels"). The proposed project consists of an office building, residential dwelling units, a retail plaza, and related amenities; and

WHEREAS, on August 8, 2019 the City of Commerce received a Commercial Property Purchase Agreement on behalf of Oak Road Capital, LLC and after negotiations both parties have come to an agreement to sell the City-owned Two Parcels to Oak Road Capital, LLC, at current market value and verified with an appraisal, for the lump sum of \$6,250,000; and

WHEREAS, the sale of real property consists of Two Parcels. 5733 Sheila Street: This site was formerly home to Connex West, a public transportation facility. Their business operations consisted of local and interurban passenger transit, as well as servicing and storing the company's fleet. Connex West was in operation from 2002 to 2009 and the property has been vacant since. 5736 East Washington Boulevard: This site is an undeveloped parcel that previously served as parking area for Connex West's bus fleet. Connex West was in operation from 2002 to 2009 and the property has been vacant since; and

WHEREAS, the sale of these properties allows for the City to begin creating the vision that can encompass quality of life amenities that the City of Commerce residents can enjoy as well as further diversify local industries. In addition, the construction of a proposed mixed-use project would be consistent with the current zoning and the City's General Plan; and

WHEREAS, an appropriate environmental review of the proposed housing development and analysis will be required pursuant to the requirements of the California Environmental Quality Act ("CEQA") to analyze the potential environmental impacts of a proposed project before it is considered by the City's Planning Commission and City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The City Council of the City of Commerce hereby finds and declares that the foregoing recitals are true and correct, and incorporates them herein as findings and as a substantive part of this Resolution.

Section 2. The Agreements of Purchase and Sale and Joint Escrow Instructions for sale of the Two Parcels, as described hereinabove, to Oak Road Capital, LLC, hereby approved in substantially the form attached hereto, inclusive of the attached Addendums.

Section 3. The City Manager is authorized to execute any and all documents necessary to implement the City's approval of the Agreements of Purchase and Sale and Joint Escrow Instructions.

PASSED, APPROVED and ADOPTED this 3rd day of September 2019.

John Soria
Mayor

ATTEST:

Lena Shumway
City Clerk