

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE
APPROVING A PURCHASE AND SALE AGREEMENT**

WHEREAS, on April 6, 2010, the City Council adopted a Housing Overlay Zone to accommodate the City 2014-2021 total RHNA allocation and AB 1233 carryover, the City has identified the Housing Opportunity overlay area to facilitate and encourage the development of residential uses; and

WHEREAS, the housing overlay serves as an opportunity to transform existing commercial/industrial sites into residential housing and other consistent supporting uses. Moreover, the City has been studying the Washington Boulevard corridor for economic development opportunities such as; housing, dining, mixed-use development, retail, and neighborhood services; and

WHEREAS, in the early part of 2019, the City of Commerce engaged Eastside Development on the opportunity to purchase the property along Washington Boulevard and Sheila Street for the opportunity to develop a project that would complement the Housing Overlay Zone. The City has been in negotiations and has come to an agreement with Eastside Development for the acquisition of real property (The Land) that consists of approximately 114,366 square feet (SF) of land and 7,426 SF of commercial auto body building (approximately 2.63 acres). The properties are located at 5733 Sheila Street (APN 6334-006-039, and 5736 E. Washington Boulevard (APN 6334-006-038). The Land is currently zoned for commercial use; and

WHEREAS, the City of Commerce completed the negotiation of a Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate. The Agreement is made contingent on the completion of a Phase 1 and the City's due diligence on ensuring that the property is free from environmental hazards. An appropriate environmental review and analysis will be required pursuant to the requirements of the California Environmental Quality Act ("CEQA") to analyze the potential environmental impacts of any proposed future project before it is considered by the City's Planning Commission and City Council; and

WHEREAS, the purchase of the subject properties for \$6,250,000, will be paid with General Fund dollars. Said purchase is consistent with the results of the appraisal prepared by the City. Once the purchase has been finalized, the City intends to sell the property and recover the funds used for the purchase of subject properties; and

WHEREAS, City staff has negotiated a Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate ("Purchase Agreement") whereby the City purchases approximately 2.63 acres of land from Eastside Development.

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

Section 1. The Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate for sale of 2.63 acres of land by Eastside Development to the City of Commerce is hereby approved in substantially the form attached hereto.

Section 2. The City Manager, and/or his designee, including the Assistant City Manager/Administrator, is authorized to execute any and all documents necessary to

CC Mtg: 9/17/19

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implement the City's approval of the Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate.

PASSED, APPROVED and ADOPTED this 17th day of September 2019.

John Soria
Mayor

ATTEST:

Lena Shumway
City Clerk