



# CITY OF CARSON

## Legislation Text

File #: 2020-843, Version: 1

### Report to Mayor and City Council

Monday, December 14, 2020

Consent

#### SUBJECT:

**CONSIDER ADOPTION OF RESOLUTION NO. 20-189 APPROVING THE PURCHASE AND SALE AGREEMENT FOR REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS FOR PURCHASE OF PROPERTY LOCATED AT 20820 S. MAIN STREET FROM THE CARSON SUCCESSOR AGENCY AND CONSIDER ADOPTION OF RESOLUTION NO. 20-188 AMENDING THE FISCAL YEAR 2020-21 BUDGET IN THE AMOUNT OF AN \$895,000 INCREASE FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 20820 S. MAIN STREET (CITY COUNCIL)**

#### I. SUMMARY

The Carson Successor Agency ("CSA") currently owns property located at 20820 S. Main Street in the City of Carson (APNs #7336-016-900 through 906, inclusive) ("Property"), as visually depicted under the Vicinity Map (Exhibit No. 1). The Property is composed of seven adjacent vacant parcels, totaling 0.58 acres, located on the southeast corner of Main Street and Torrance Boulevard. Under the proposed Purchase and Sale Agreement ("PSA") (Exhibit No. 2) the City of Carson would purchase the Property from the CSA for \$885,000, which is the appraised fair market value of the Property as determined by the appraisal conducted by Anderson & Brabant, Inc.

#### II. RECOMMENDATION

TAKE the following actions:

1. WAIVE further reading and ADOPT Resolution No. 20-189 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, APPROVING THE PURCHASE AND SALE AGREEMENT FOR REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS TO PURCHASE THE PROPERTY LOCATED AT 20820 S. MAIN STREET FROM THE CARSON SUCCESSOR AGENCY."
2. WAIVE further reading and ADOPT Resolution No. 20-188 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, AMENDING THE FISCAL YEAR 2020-21 BUDGET IN THE AMOUNT OF AN \$895,000 INCREASE FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 20820 S. MAIN STREET"

### **III. ALTERNATIVES**

Take another action deemed appropriate by the City Council.

### **IV. BACKGROUND**

The Property is composed of seven adjacent vacant parcels, totaling 0.58 acres, located on the southeast corner of Main Street and Torrance Boulevard in the City of Carson. The proposed sale price, \$885,000, is the fair market value of the Property as determined by the appraisal conducted by Anderson & Brabant, Inc.

Adoption of Resolution No. 20-189 (Exhibit No. 3) will approve the PSA, effective immediately, and the parties will then open escrow. The Resolution also authorizes the City Manager to execute all documents necessary to effectuate the transfer of the Property in accordance with the terms of the PSA. The closing of escrow will be subject to the approval of the Los Angeles County Second Supervisorial District Consolidated Oversight Board ("Second District Consolidated Oversight Board") and the DOF, if applicable.

### **V. FISCAL IMPACT**

Adoption of Resolution No. 20-188 (Exhibit No. 4) would amend the City's budget in the amount of \$895,000 for the purchase of the Property. The sale price under the PSA is \$885,000, which is the appraised fair market value of the Property. An additional \$10,000 is requested to cover escrow and related costs to this transaction.

Sale proceeds for this transaction by the CSA would be remitted to the County to be disbursed to the local taxing entities. The City as a taxing entity will receive back roughly 6.7% of the sale proceeds. Based on a \$875,000 net proceeds estimate, the City would receive approximately \$58,625 in revenue.

Therefore, the net fiscal impact to the City is a cost amount of approximately \$836,375 for this transaction.

### **VI. EXHIBITS**

1. Vicinity Map (pg. 3)
2. Purchase and Sale Agreement (pgs. 4-13)
3. Resolution No. 20-189 (pgs. 14-26)
4. Resolution No. 20-188 (pgs. 27-28)

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