



City of Morgan Hill

Legislation Text

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OVERSIGHT BOARD STAFF REPORT MEETING DATE: SEPTEMBER 28, 2016

PREPARED BY: Leslie A. Little, Asst. City Manager/Community Development
APPROVED BY: City Manager

REVIEW OF APPROVAL OF SALE OF 11,000 S.F. REMNANT PARCEL, SITE 7- EL-CAPRI/GATEWAY, APN 764-10- 006, TO MOHAMMAD HABIB, CONSISTENT WITH THE NOVEMBER 2013 LONG RANGE PROPERTY MANAGEMENT PLAN (LRPMP)

RECOMMENDATION(S)

Adopt resolution:

1. Concurring with the Successor Agency's acceptance of an offer of \$10,000 from Mohammad Habib for the purchase of the eleven thousand square foot (11,000) remnant parcel of land located on North Monterey Road, on the northwest side of the intersection on Monterey and Cochrane Roads, APN 764-10-006, known as Site 7 in the Long Range Property Management Plan and authorization of the City Manager, as Executive Director of the Successor Agency, to execute a sale agreement and other related documents to effect the transfer; and
2. Directing staff to forward the action to the State Department of Finance (DOF).

REPORT NARRATIVE:

Pursuant to Health and Safety Code Section 34191.5, and in accordance with laws governing the dissolution of redevelopment agencies, within six months after receiving a Finding of Completion from the State Department of Finance (DOF), each redevelopment agency's successor agency is required to submit for approval to the governing oversight board and the DOF, a Long Range Property Management Plan (LRPMP) that addresses the disposition and use of all real properties previously owned by a former redevelopment agency. On June 4, 2013, the Successor Agency to the former Morgan Hill Redevelopment Agency (Successor Agency) received a finding of completion from the DOF. On November 30, 2013, the Successor Agency submitted Morgan Hill's LRPMP to the Morgan Hill Oversight Board (Oversight Board) for review. The LRPMP was approved by the Oversight Board on November 30, 2013, and subsequently reviewed and approved by the DOF.

Site 7 is a remnant parcel which was acquired by the former Morgan Hill Redevelopment Agency (RDA) in April of 2008 to facilitate the acquisition of a key downtown parcel located at 17450 Monterey Road (the office building portion of the former Downtown Mall site). The property is zoned commercial general (CG) and is vacant. The RDA paid \$300,000 for the site in the multi-parcel acquisition. The lot is 11,000 s.f., is irregularly shaped, lacks sufficient dimension to be developed individually, and has no access from Monterey Road. Its value is in being combined with an adjacent property. Minimum lot dimensions for the CG zone require lot width of 100 feet and lot depth of 100

feet. In addition, minimum front and rear setbacks are 25 feet and building coverage is limited to 50%.

The 2013 LRPMP indicated that the use/disposition of Site 7 should be disposition. In early 2014, the Successor Agency listed and advertised the property, in conjunction with other properties for sale/development in the Downtown. In addition, a large real estate sign has been posted on the property since 2014, indicating its availability. On November 21, 2014, the Successor Agency received one offer for the property of \$1,000. With continued visibility in the market, on July 18, 2016, an offer of \$10,000 was received for the property. This latter offer was accepted by the Successor Agency on September 21, 2016, subject to the review of the Oversight Board and DOF. On September 27, 2016, the Morgan Hill Planning Commission will make a determination of whether the sale of Site 7 is consistent with the Morgan Hill General Plan pursuant to [Government Code Section 65402\(a\)](#).

PRIOR ACTIONS:

On November 30, 2013, the Successor Agency submitted Morgan Hill's LRPMP to the Oversight Board for review. The LRPMP was approved by the Oversight Board on November 30, 2013, and subsequently reviewed and approved by the DOF. The LRPMP recommended disposition of Site 7. Subsequently, in early 2014 the Successor Agency advertised the availability of the parcel and placed a large real estate "for sale" sign on the site. On September 21, 2016, the Successor Agency accepted an offer of \$10,000 for the property subject to the review of the Morgan Hill Oversight Board and the DOF.

FISCAL AND RESOURCE IMPACT:

The proceeds of the sale of the property will be shared proportionately with County taxing entities.

LINKS/ATTACHMENTS:

1. LRPMP Description
2. Site Map
3. Legal Description
4. Resolution
5. Letter from Buyer