

City of Hesperia

STAFF REPORT



DATE: July 17, 2018

TO: Mayor and City Council

FROM: Nils Bentsen, City Manager

BY: Rod Yahnke, Economic Development Manager
Jennifer M. Shove, Administrative Analyst

SUBJECT: Real Property Purchase and Sale Agreement – 9393 Santa Fe Avenue East

RECOMMENDED ACTION

It is recommended that the Hesperia City Council adopt Resolution No. 2018-42: (i) approving the "Agreement For The Purchase And Sale Of Real Property And Joint Escrow Instructions" (Agreement) for real property located at 9393 Santa Fe Avenue East, Assessor's Parcel Numbers 0410-171-19 & 0410-171-47 (Property) by and between County Service Area 70 (Buyer) and the City of Hesperia (Seller); and (ii) authorizing the City Manager to execute all documents necessary to complete the transaction.

BACKGROUND

The City of Hesperia (City) formerly housed the Sheriff's Department at the property until completion of the newly constructed building in 2010. Once completed all personnel and equipment moved to its current location, leaving the building vacant.

In 2016, negotiations began with real estate representatives from the County of San Bernardino for the sale of the Property to be purchased by County Service Area 70 (Buyer).

ISSUES

The sales price was determined to be at fair market value of Six-Hundred and Ten Thousand dollars (\$610,000) based on an appraisal completed by Thompson Appraisals.

FISCAL IMPACT

Sale proceeds, less closing costs, will be paid at the close of escrow. Buyer will pay a downpayment of One Hundred Twenty-Two Thousand Dollars (\$122,000) and make four (4) equal annual installments of One Hundred Twenty-Two Thousand Dollars (\$122,000) due on July 1 of each year, commencing on July 1, 2019.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Resolution No. 2018-42
2. Purchase & Sale Agreement