

# Consideration of a Purchase and Sale Agreement for Surplus Land Community Development

City Council

May 14, 2024

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[CityOfGlendora.org](http://CityOfGlendora.org)

## City Owned Surplus Land

- San Jose / Woodland Ave
- Four Parcels, 5.8 (4.8) Acres, APN's:
  - 8655-007-900, 8655-007-901, 8655-007-902 & 8655-021-900
- Vacant Land, Zoned Residential
- Declared Non-Exempt Surplus Land
  - Surplus Land Act, Govt. Code §§ 54220-54233
  - Stimulate Affordable Housing




## Surplus Land Act

- **Requirements prior to disposition:**
  - Declare property as Surplus Land
    - December 13, 2022
  - 60 Day Notice of Availability Period
    - January 13, 2023 through March 14, 2023
  - 90 Day Negotiation Period
    - March 23, 2023 through July 11, 2023
  - Report Summary to HCD
    - August 23, 2023
  - HCD Approval for Disposition
    - September 20, 2023
    - HCD Affordability Covenant recorded prior to sale



## Purchase and Sale Agreement

- Purchaser: Olson Urban Housing, LLC
  - Purchase Price: \$4,000,000 (fair market value)
  - Deposit: \$50,000
  - Due Diligence: 90 Days
  - Closing Dates: No later 18 months after Effective Date
  - Entitlements: Application submitted in escrow period
  - Project Agreements: Affordability Regulatory and Covenant Agreements
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## Project Agreements

- **Affordability Regulatory Agreement:**
  - Terms required to comply with the Surplus Land Act and the State Density Bonus Law
- **Covenant Agreement:**
  - Buyer's obligations to complete the project after close of escrow:
    - Construction to start within 6 months after close of escrow
    - Project completion within 40 months or 3.25 years.
- Project Agreements will be recorded at the County Recorder's office upon closing.

## Schedule of Performance

<b>Task</b>	<b>Timeline</b>
Developer submits a concept review for development:	W/in 30 days of PSA
Buyer schedules a community meeting:	W/in 60 days of PSA
Negotiation of project agreements begins:	Expiration of Due Diligence Period
Buyer submits formal application for entitlements:	60 days after expiration of Due Diligence.
Final approval of entitlements:	W/in 12 months of PSA
Closing Date:	W/in 18 months of PSA

## RECOMMENDATIONS

That the City Council:

1. Adopt a City Council Resolution entitled, “A Resolution of the City Council of the City of Glendora Authorizing the City Manager to Execute a Purchase and Sale Agreement with Olson Urban Housing, LLC with Respect to that Certain Property Identified by Assessor’s Parcel Numbers 8655-007-900, 8655-007-901, 8655-007-902, and 8655-021-900 and Making Certain Findings in Connection Therewith.”