



Legislation Text

File #: 17-125, **Version:** 1

Staff Report for Resolutions Accepting Quitclaim Deeds to the City of San Leandro Releasing Parking Easements on the Public Parking Lot Located at the Northeast Corner of East 14th Street and Callan Avenue (APN 077-0447-007-01)

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council approve resolutions to accept the Quitclaim Deeds from Regency Centers, L.P. and Safeway, Inc., which will convey all parking and other rights to the public parking lot located at the northeast corner of East 14th Street and Callan Avenue (APN 077-0447-007-01) to the City of San Leandro. This transfer is necessary to clear title on the property, which will allow for redevelopment of the site in keeping with the Purchase and Sale Agreement with Sansome Pacific Properties.

BACKGROUND

On February 16, 2016, the City of San Leandro approved a Purchase and Sale Agreement with Sansome Pacific Properties, Inc. for the redevelopment of the public parking lot located at the northeast corner of East 14th Street and Callan Avenue. Concurrently, the owners of the adjacent property at 1188 East 14th Street (former CVS/Long's Drug Store) entered into a Purchase and Sale Agreement for the same. The planned redevelopment of these sites will include a mix of retail and residential uses, and associated parking.

The original development of the former Long's Drug Store at 1188 East 14th Street and the associated public parking at Callan Avenue and Hyde Street (the "Property") was governed by an agreement dated December 15, 1969, between the City of San Leandro, the San Leandro Redevelopment Agency, Longs Drug Stores, Conselho San Leandro No. 1 Da Uniao Portuguesa Do Estado Da California and Conselho Supremo Da Uniao Portuguesa Do Estado Da California.

Referenced in the December 15, 1969 agreement is Plaza Assessment District No. 1, formed in 1968 to acquire properties for development for public parking purposes. Pursuant to Section IV.6 of the 1969 Agreement, owners of properties within Plaza Assessment District No. 1 were granted a non-exclusive easement for the use of the Property and portions of streets for a period of 50 years for parking and circulation.

Currently, the owners of properties within Plaza Assessment District No. 1 are Regency Centers, Safeway, and the City's Parking Authority, which owns the Plaza Shopping Center Parking Lot (APN 075-0226-010-00). Although the easement is still in effect, the Assessment District has no other remaining substantive impact and no assessments are charged to properties within the District.

Analysis

In order to proceed with redevelopment of the former CVS building and associated public parking lot, Sansome Pacific Properties requests that the easements for Plaza Assessment District No. 1 property owners for use of the parking lot be removed or cleared from the Property's title. On September 6, 2016, the City Council, acting as the Board of Directors of the Parking Authority of San Leandro, approved a Quitclaim Deed removing the Parking Authority's easement on the parking lot, and the City Council accepted the removal of such easement.

At this time, the two remaining owners of property within the Plaza Assessment District No. 1 - Regency Centers, L.P. and Safeway Inc. - have also approved removal of their easements on the parking lot. Neither entity was making use of this parking lot and both have agreed to this action in order to facilitate the planned development project. They have approved Quitclaim Deeds, which will quitclaim, release and convey to the City of San Leandro any and all right, title or interest in and to the public parking lot at the northeast corner of East 14th Street and Callan Ave. (APN 077-0447-007-01).

Therefore, staff requests that:

- 1) The City Council accept the transfer of the easement and interest in real property conveyed by the Quitclaim Deed dated September 23, 2016 from Regency Centers, L.P. to the City of San Leandro and authorize the City Manager to sign the certificate of acceptance.
- 2) The City Council accept the transfer of the easement and interest in real property conveyed by the Quitclaim Deed dated February 7, 2017 from Safeway, Inc. to the City of San Leandro and authorize the City Manager to sign the certificate of acceptance.

If this occurs, all easements of the Plaza Assessment District No. 1 will be removed from the public parking lot and the City of San Leandro will unify its ownership interests in the property, which will ensure a smooth transfer of the properties to the developer, in accordance with the February 2016 Purchase and Sale Agreement.

Previous Actions

- On February 16, 2016, the City Council approved a Purchase and Sale Agreement with Sansome Pacific Properties, Inc. for the redevelopment of the public parking lot located at the northeast corner of East 14th Street and Callan Avenue (APN 077-0447-007-01).
- On September 6, 2016, the City Council, acting as the Board of Directors of the Parking Authority of San Leandro, approved a Quitclaim Deed, and the City of San Leandro accepted the Quitclaim Deed, which transfers a parking easement to the public parking lot located at the northeast corner of East 14th Street and Callan Avenue to the City of San Leandro

Legal Analysis

The quitclaim deeds releasing the parking easements on the property were reviewed by the City Attorney and approved as to form.

Fiscal Impacts

The execution of the quitclaim deed and release of the parking easement will be performed at no cost to the City of San Leandro.

Attachments to the Staff Report

- 1969 Agreement related to development of 1188 East 14th Street
- Plaza Assessment District No. 1 Map

Attachment to Resolutions

- Quitclaim Deed - Regency Centers, L.P.
- Quitclaim Deed - Safeway Inc.

PREPARED BY: Katie Bowman, Economic Development Manager, Community Development Department

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