



## Legislation Text

---

**File #:** 16-439, **Version:** 1

---

Staff Report for Resolutions Approving the Parking Authority of the City of San Leandro's Quitclaim Deed to the City of San Leandro Releasing a Parking Easement on the Public Parking Lot Located at the Northeast Corner of East 14<sup>th</sup> Street and Callan Avenue (APN 077-0447-007-01)

### **SUMMARY AND RECOMMENDATIONS**

Staff recommends that the City Council, serving in its capacity as the Board of Directors of the Parking Authority of the City of San Leandro (Parking Authority), approve the Resolution that grants a quitclaim deed to the City of San Leandro to release a parking easement on the parking lot located at the northeast corner of East 14<sup>th</sup> Street and Callan Avenue. Staff further recommends that the City Council approve the Resolution to accept the quitclaim deed, which will convey all parking easement and other rights to the City of San Leandro. This transfer is necessary to clear title on the City's East 14<sup>th</sup> Street and Callan Avenue public parking lot property, which will allow for redevelopment of the site in accordance with the Purchase and Sale Agreement between the City of San Leandro and 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 14<sup>th</sup> Street and Callan Avenue. Concurrently, the owners of the adjacent property at 1188 East 14<sup>th</sup> 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 St. and the associated public parking at Callan Ave. and Hyde St. (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, which was formed in 1968 to acquire properties for development and 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 Parking Authority, which owns the Plaza Shopping Center Parking Lot (APN 075-0226-010-00). Therefore, the Parking Authority is the holder/owner of a non-exclusive easement for use of the parking lot at the northeast corner of the Property. Although the easement is still in effect,

the Assessment District has no other remaining impact of substance 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 should be removed or cleared from the Property's title. In the City's case, this will involve the Parking Authority -- as an owner of properties within Plaza Assessment District No. 1 - granting to the City by quit claim deed its rights to the non-exclusive easement over the Property, which will effectively unify the City's ownership interests on the Property.

Therefore, staff requests that:

- 1) The City Council, acting as the Parking Authority of the City of San Leandro, approve the transfer of the easement and authorize the Parking Authority Manager to sign the attached quitclaim deed.
- 2) The City Council accept the transfer of the easement and authorize the City Manager to sign the certificate of acceptance. If this occurs, 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 between the City of San Leandro and Sansome Pacific Properties.

The City is assisting the developer to contact the other owners in Plaza Assessment District No. 1 to encourage clearance of their easements over the Property as well.

### **Previous Actions**

- On February 16, 2016, the City Council approved a Purchase and Sale Agreement between the City of San Leandro and Sansome Pacific Properties, Inc. for the redevelopment of the public parking lot located at the northeast corner of East 14<sup>th</sup> Street and Callan Avenue (APN 077-0447-007-01).

### **Environmental Review**

An Environmental Impact Report, certified in conjunction with the adoption of the TOD Strategy, contained an assessment of the environmental impacts related to development throughout the study area, including this project. Additional environmental review required, if any, will be determined as part of the entitlement process as plans for the proposed project are further defined in the coming months.

### **Legal Analysis**

The quitclaim deed releasing the parking easement on the property was 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 Parking Authority of the City of San Leandro or the City of San Leandro.

**ATTACHMENT(S)**

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

**Attachment to Resolution**

- Quitclaim Deed

**PREPARED BY:** Katie Bowman, Business Development Specialist, Community Development Department

2698483.1