



Legislation Text

File #: 21-1760, **Version:** 1

FROM:

Planning Department

SUBJECT:

Purchase and Sale Agreement for 16766 Arrow Blvd. - Downtown Fontana Property

RECOMMENDATION:

1. Approve a Purchase & Sale Agreement for the purchase of a building and associated land located on the north side of Arrow Blvd, east of Juniper in Downtown Fontana, more specifically described as APN #0191-162-09.
2. Authorize the City Manager to execute any documents necessary or appropriate to effectuate said approvals and/or agreement.

COUNCIL GOALS:

- Promote economic development by concentrating on job creation.
- Promote economic development by pursuing business attraction, retention, and expansion.

DISCUSSION:

The City of Fontana will be undertaking an expansive and comprehensive revitalization of Downtown Fontana. The specific geographic area to be targeted includes Upland Ave to the North, Orange Avenue to the South, Mango Ave to the East and Juniper Ave to the West. A primary component of this revitalization effort will require the acquisition, demolition, replanning, and redevelopment of several key properties within the area. To facilitate the implementation of this revitalization, the City will be acquiring various properties in Downtown Fontana. Notwithstanding the fact that any structures that exist on parcels being acquired will be demolished and therefore have no future value, parcels are being acquired at market rate based on values attributable to their current use.

The subject property recently became available for acquisition. The approximately 6,500 square foot parcel includes a building of approximately 5,600 square feet.

The city and the seller's brokers have reached agreement on a Purchase Agreement with the following proposed deal-points:

- The City of Fontana would acquire the property for the price of \$1,250,000.
- The City of Fontana and seller SW Events will equally split any/all escrow and title fees as

appropriate.

- The City will have sixty days to perform any due diligence on the subject property, including completion of an environmental assessment and title review.
- Following the due-diligence period the city will have a fifteen-day financing period to complete all wire-transfers and documents necessary for the close of escrow.

Approval of the Purchase Agreement and acquisition of the subject property will assist with the assemblage of various properties located in Downtown Fontana. That assemblage will facilitate the City's vision and plans to dramatically revitalize the Downtown Community.

FISCAL IMPACT:

Monies are available for the purchase of these properties (total cost of approximately \$1,300,000, including escrow costs and appropriate fees) in Fund 602 - Capital Improvement. Appropriate paperwork will be submitted to the Budget Office with the First Quarter Budget Status Report.

MOTION:

Approve staff recommendation.