

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
3	07/22/19	Open	Action	07/11/19

Subject: 19th Street and T Street Surplus Property Sale

ISSUE

Whether or not to authorize waiver of Invitation to Bid and Advertising requirement and sale of identified surplus property to adjacent landowner.

RECOMMENDED ACTION

Adopt Resolution No. 19-07- ____, Waiving the Requirements in Title VII of the SacRT Administrative Code that Federally Acquired Real Property Be Sold to the “Highest Bidder” and Delegating Authority to the General Manager/CEO to Enter in a Purchase and Sale Agreement for a Portion of APN 010-0093-025 with DRI Enterprises, LLC.

FISCAL IMPACT

The land located south of T Street between 19th and 20th Street was acquired as part of the 1999 South Sacramento Corridor Project with a mix of funding sources, including federal funds. The appraised value is \$2,500 and Sacramento Regional Transit District (SacRT) has incurred a cost of \$2,415 for the appraisal. The adjacent landowner, DRI Enterprises, Inc., is offering \$5,000 for purchase of the property.

Because of the federal interest in the property, use of the modest sales proceeds will be restricted to reinvestment of the proceeds of the sale into another Federal Transit Administration (FTA) eligible capital project.

DISCUSSION

The subject property is located south of T Street between 19th and 20th Streets, is a portion of APN 010-0093-025, and is further identified in Attachment A.

APN 010-0093-0025 is an irregular shape parcel with a triangular “spur” on the southwest side of approximately 1600 square feet that is not needed for transit purposes. On December 12, 2018, the Board approved the property surplus to transit operations. On December 19, 2018, SacRT sent offers to sale to state and local governments in accordance with provisions of Government Code Section 54220; no interest was received.

SacRT received FTA concurrence with the disposition and application of sales proceeds on June 3, 2019. The FTA requires “that Sales procedures shall be followed that provide for competition to the extent practicable and result in the highest possible return or at least payment of appraised fair market value.”

Approved:

Presented:

Final 07/15/19

General Manager/CEO

VP, Finance/CFO

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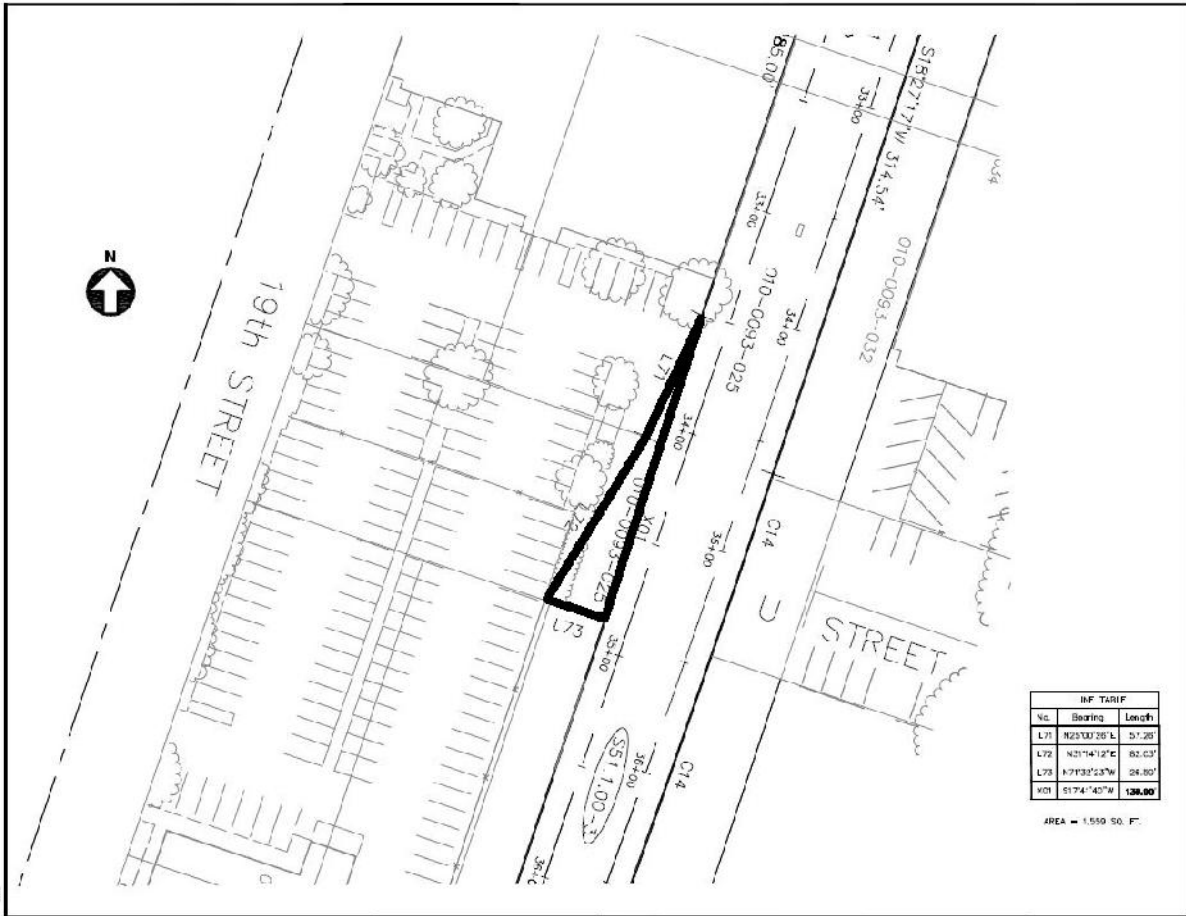
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To implement those requirements, Title VII of the SacRT Administrative Code generally requires “advertising” the property and taking competitive bids for a period of at least 30 days for federally-acquired properties. In this instance, with respect to this particular property, the competitive procedures set out in Title VII are unlikely to result in any additional offers, due to its land-locked location between the rail right of way and adjacent landowner. Therefore, if SacRT can receive the appraised value, the costs incurred to obtain the appraisal, and concurrence from the FTA, it would be reasonable to sell this property to the adjacent landowner.

Staff recommends the Board adopt the Resolution waiving the requirements of Title VII and authorizing the General Manager/CEO to enter into a Purchase and Sale Agreement with DRI Enterprises, Inc.

Attachment A



RESOLUTION NO. 19-07-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

July 22, 2019

WAIVING THE REQUIREMENTS IN TITLE VII OF THE SACRT ADMINISTRATIVE CODE THAT FEDERALLY ACQUIRED REAL PROPERTY BE SOLD TO THE "HIGHEST BIDDER" AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO ENTER IN A PURCHASE AND SALE AGREEMENT FOR A PORTION OF APN 010-0093-025 WITH DRI ENTERPRISES, LLC

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the requirement of Title VII of the Sacramento Regional Transit District Administrative Code Regarding Real Property Section 7.6.04, requiring sale of federally-assisted surplus property to the "highest bidder by competitive bidding" is waived for disposal of a portion of APN 010-0093-025 due to its landlocked location; and

THAT, authority is hereby delegated to the General Manager/CEO to enter into a Purchase and Sale Agreement with DRI Enterprises, Inc. to sell the above-referenced property for an amount not less than \$5,000, and to execute any other documents necessary to complete the transfer of property described as a portion of Assessor Parcel Number 010-0093-025.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary