


TO: James L. App, City Manager  
FROM: Mike Compton, Director of Administrative Services   
SUBJECT: Award of Bid - Surplus Real Property/APN 18-181-019  
DATE: January 5, 1999

Needs: For the City Council to consider award of bid to Robert Miller and Blane Rogers.

- Facts:
1. The Council at their meeting of April 21, 1998 did declare certain City owned real property as surplus.
  2. A preliminary title report and appraisal was undertaken on this surplus real property.
  3. In accordance with legal procedure requirements, all local public agencies were notified that this real property was declared surplus by the City Council.
  4. The Planning Commission reviewed the proposed property sale(s) and determined that there would be no conflicts with the General Plan. A Negative Declaration of Environmental Impact was adopted.
  5. The Council at their August 4, 1998 meeting did authorize the sale of surplus real property and the process by which surplus real property would be sold.
  6. The bid/auction process and list of available properties were advertised for four weeks in both the Telegram Tribune and the Country News Press.
  7. One minimum, responsive bid was received for APN 18-181-019, a 115,000 square foot lot uphill of the Merryhill Water Reservoir.
  8. An escrow account has been opened with Fidelity National Title Company in Paso Robles.

Analysis and

Conclusion: The resulting effort for the sale of surplus real property was disappointing. Five (5) properties were advertised for sale but only one bid was received. Potential auction participants were required to submit a minimum bid equal to the appraised value in order to have their minimum bid accept or participate in the auction. Given that there was only one qualified, responsive minimum bid, the auction was not held and the minimum bid became the winning bid.

Fiscal  
Impact:

The adopted budget for fiscal year 1999 contains an estimate for \$295,000 in surplus property sales revenue. The sale of the 3201 Spring Street property from the City to the Redevelopment Agency will generate \$135,000 and the sale of the Merryhill property will generate an additional \$38,000. Thus, the City needs to generate \$122,000 in additional real property sales in order to meet revenue projections.

The Council has already directed staff to proceed with the retention of a real estate agent/broker services to assist the City with the sale of the remaining properties. During the course of staff's inquiry among other cities for 'request for qualifications' (RFQ), another alternative was suggested. This alternative is attached for Council consideration. However, unless requested otherwise, staff will proceed with the RFQ process.

Options:

- a. That the City Council award the bid for the sale of surplus property, identified as APN 18-101-019, to Robert Miller and Blane Rogers in the amount of \$38,000 and direct staff execute any and all documents necessary to close escrow and transfer title; or
- a. Amend, modify, or reject the options above.

For City use only:  
Bid documents complete \_\_\_\_\_  
Deposit received \_\_\_\_\_  
Paddle No: \_\_\_\_\_

CITY OF EL PASO DE ROBLES

REAL PROPERTY BID SUBMISSION FORM AND AGREEMENT

(Must be completed separately for each property)

NAME OF BIDDER: Robert H. Miller & Blaine Rogers  
STREET ADDRESS OF BIDDER: Rt 1 Box 22  
CITY: Paso Robles STATE: Calif. ZIP: 93446  
PHONE NO: 805-434-1594

MAILING ADDRESS (IF DIFFERENT FROM ABOVE)

BID PROPERTY:

Uphill of Merryhill Water Reservoir 115,000 sq ft.  
APN: 18-191-019 (herein the Property)

MINIMUM BID: \$ 38,000 (per Table I)

\$ 3,800 (deposit) EQUALING 10% OF MINIMUM BID IS ATTACHED in the form of cash, cashier's check, or certified check. (Checks to be made payable to the City of El Paso de Robles.)

(optional)

BIDDER'S AUTHORIZED AGENT: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
PHONE NO: \_\_\_\_\_

BIDDER UNDERSTANDS AND AGREES AS FOLLOWS:

1. The above-described BID PROPERTY will be sold to the highest bidder at auction on the terms and conditions herein stated.
2. The terms of the sale are cash and lawful money of the United States to be paid to the City of El Paso de Robles through escrow.
3. This form/agreement shall be completed, signed and received by the City Clerk no later than 5:00 PM, December 3, 1998 at 1000 Spring Street, Paso Robles, Ca. 93446 in order quality Bidder to bid at auction.

attached fireplace equipment, mailbox, in-ground landscaping including trees and shrubs.

17. The Bidder's authorized agent is authorized to attend the auction and make bids on Bidder's behalf. Bidder agrees to indemnify and hold City harmless for any claims made against City because of City's reliance on the Bidder's authorized agent's authority.

18. Bidder and/or Bidder's authorized agent may be required to provide City with adequate identification prior to the auction.

19. The auction will be held at 1000 Spring Street in the Conference Center at 7:00 PM on December 3, 1998.

20. Absent a higher bid at auction, Bidder agrees to purchase the Property at the minimum bid amount on the terms and conditions herein stated.

21. In the event there are two or more qualified bidders willing to purchase the Property at the minimum bid (without advancement), then the successful bidder shall be determined by drawing straws.

I have read and agree to be bound by the terms and conditions stated herein.

  
(Bidder's signature)

Print name: Robert H. Miller  
Date: 12-2-98

\_\_\_\_\_  
(Bidder's signature)

Print name: Blaine Rogers  
Date: 12-2-98

434-1888

**Mike Compton**

**From:** Brian Moura  
**Sent:** Wednesday, December 16, 1998 10:49 AM  
**To:** Veeda Cumming; 'CSMFO'  
**Subject:** RE: [CSMFO Members] RFQ for Sale of Real Property

Why hire a real estate agent?

When we sell surplus City land, we run ads in the major papers and the Wall Street Journal, get a copy of the CalTrans Surplus Land Bidders Mailing Labels, notify the local realtors and offer a 3% realtors finding fee. Then we hold verbal auction sales. Works well.

-- Brian Moura, San Carlos

-----Original Message-----

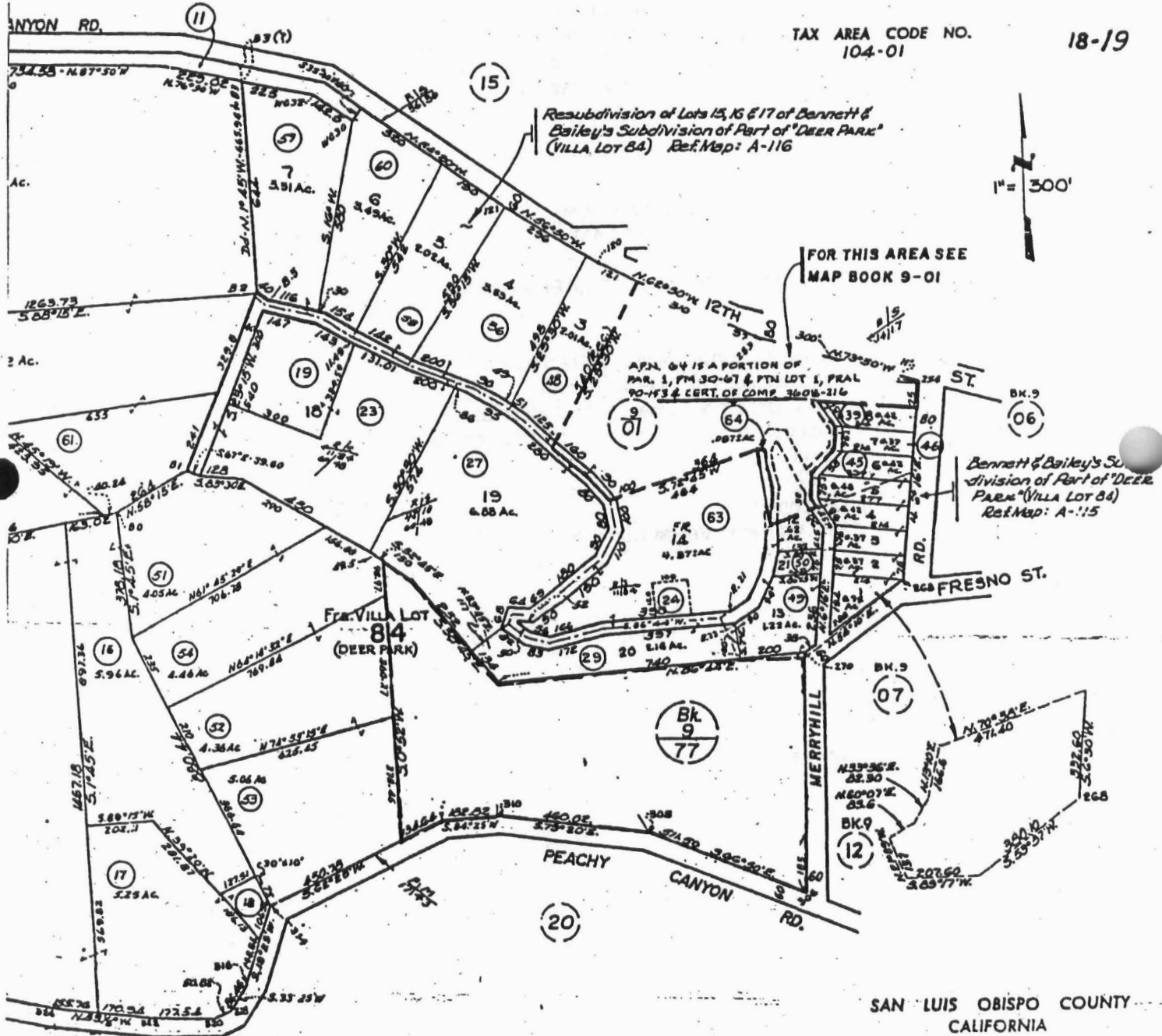
**From:** Veeda Cumming [mailto:Veeda@prcity.com]  
**Sent:** Wednesday, December 16, 1998 10:23 AM  
**To:** 'CSMFO'  
**Subject:** [CSMFO Members] RFQ for Sale of Real Property

The City of Paso Robles is planning to engage a real estate agent/broker to sell various pieces of City-owned real property. Does anyone have an RFQ, request for qualifications for real estate agent/broker services for sale of surplus city real property you would be willing to share with us?

**Email:** veeda@prcity.com  
**Fax:** 805.237-6565 Attention: Veeda Cumming  
**Snail Mail:**  
Veeda Cumming  
Accounting Manager  
City of Paso Robles  
1000 Spring St  
Paso Robles, CA 93446  
**Phone:** 805/237-3999

Thanks for any help you can give!

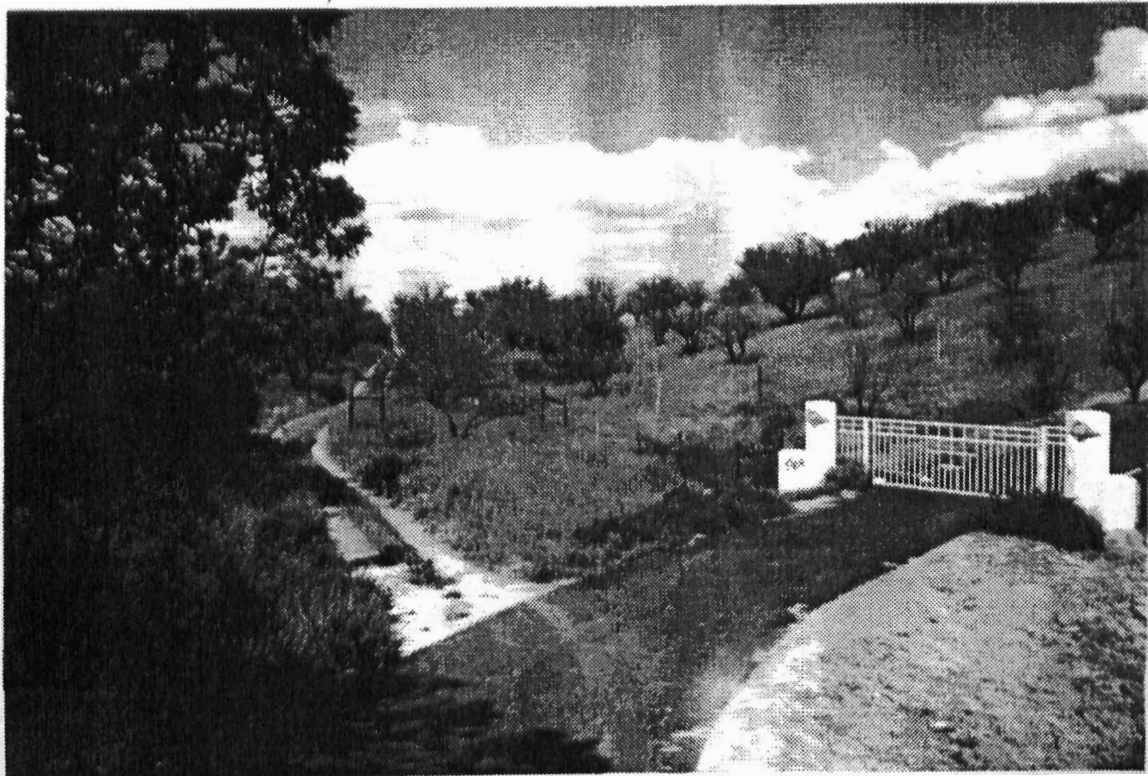
# ASSESSOR'S MAP WITH SUBJECT PROPERTY IDENTIFIED



PHOTOGRAPHS OF SUBJECT AND IMMEDIATE ENVIRONS



View of Subject from Hill West of the Subject Looking East



View of Access Road to Subject (Trail on Left in Photo)

**5. VALUATION METHODOLOGY:** The valuation of rural acreage is best accomplished by the use of the market or the sales comparison approach.

**6. VALUATION RANGE:** \$16,667 to \$26,094 per acre

**7. VALUE CONCLUSION:** As of June 9, 1998 2.23 acres at \$17,000 per acre;  
\$38,000 with a 6 to 10 month exposure time



NOTICE INVITING BIDS  
and  
AUCTION

SALE OF SURPLUS REAL PROPERTY

Notice is hereby given that the City Council of the City of El Paso de Robles will sell by auction on the terms mentioned herein, all right, title and interest in the real property described in Table I at the place specified below.

Date: December 3, 1998

Time: Submission of Bids: 5:00 PM (Pacific Standard Time)  
Auction: 7:00 PM (Pacific Standard Time)

Place: Office of the City Clerk  
1000 Spring Street  
Paso Robles, Ca. 93446

Deadline: Real property bid submission form and agreement, along with appropriate deposit may either be mailed or personally delivered to the City Clerk's Office in accordance with bid instructions. In either event, the sealed bids must be received by the City Clerk's Office no later than 5:00 PM, Thursday, December 3, 1998

Intent: It is the intent of the City of El Paso de Robles to sell to the highest qualified bidder(s) at auction, all rights, title and interest in the real property described in Table I and located in the City of El Paso de Robles.

The sale is subject to current covenants, conditions, restrictions, reservations, right of ways and easements of record. The property is sold on an "as is" basis without warranty of any kind except for title.

Process/  
Specifications: Interested bidders are specifically directed to the Department of Administrative Services located at 1000 Spring Street, Paso Robles, CA 93446 or by calling (805)237-3999 for detailed specifications and instructions regarding the auction.

TABLE I

Schedule of Surplus Real Property

<u>Assessor's Parcel No.</u>	<u>Description/ Location</u>	<u>Approximate Land Area</u>	<u>Minimum Bid</u>
25-131-016	747 Walnut	1 Acre	\$55,000
08-246-019	21 <sup>st</sup> & Pine Sts.	9,580 sq.ft.	\$76,000
18-191-019	Uphill of Merryhill Water Reservoir	115,000 sq.ft.	\$38,000
09-261-004	801-4 <sup>th</sup> Street	2.5 Acres	\$1,230,000
08-215-003	Downhill of 21 <sup>st</sup> St. Water Reservoir	1.43 Acres	\$98,000

BID PROCESS AND SPECS  
for  
Sale of Surplus Property

Terms:

The properties are offered for sale in "as is" condition without warranty of any kind except clear title. The sale is subject to current covenants, conditions, restrictions, reservations, right of ways and easements of record. Said information is available from the Department of Administrative Services located at 1000 Spring Street, Paso Robles, California.

No broker has been retained by the City and no commission will be paid to any person, firm or representative of the bidder.

The terms of the sale are cash in lawful money of the United States to be paid to the City of El Paso de Robles through escrow.

A ten percent (10%) deposit of the minimum bid reflected in Table I in the form of cash, certified or cashier's check payable to the City of El Paso de Robles shall be attached to the Real Property Bid Submission Form and Agreement. Unsuccessful bidders shall have their checks returned within 10 days after the City Council meeting of December 3, 1998.

Bids will not be accepted if less than the minimum bid specified in Table I above.

The deposit placed by the successful bidder is NON-Refundable. The deposit shall be deposited into escrow to be applied towards the purchase price. In the event the successful bidder does not complete escrow as provided in the Real Property Bid Submission Form and Agreement, the City of El Paso de Robles shall keep said deposit.

Auction:

At 7:00 p.m. on December 3, 1998, the Mayor of the City of El Paso de Robles, during the public meeting, will announce the qualified bidders and conduct the auction in which only qualified bidders may participate. Should there only be one qualified bidder, that bid shall become the winning bid and no auction shall be held. The Mayor or his designee shall determine the increments by which each additional bid must be made.

In order to be a "qualified Bidder", the Bidder shall have on file with the City Clerk **PRIOR TO 5:00 PM, THURSDAY, DECEMBER 3, 1998**, the following:

- A. A deposit equal to 10% of the minimum bid as set forth in Table I in the form of cash, certified or cashier's check made payable to the City of El Paso de Robles; and
- B. A signed and completed Real Property Bid Submission Form and Agreement, agreeing to the minimum bid as the "Bidder's opening bid".

Transfer of  
Title:

An escrow account shall be opened within fifteen (15) working days of bid award. All escrow costs shall be borne by the successful bidder. Escrow shall close within thirty (30) days of the award of bid. Unless otherwise agreed to by the parties, the City shall designate the escrow agent.

Miscellaneous:

Real Property Bid Submission Form and Agreements must be received at the office of the City Clerk before the time and date set forth above. The sealed envelope containing said bid forms shall be clearly labeled as the identify the real property including the assessor's parcel number and the name of the person/firm submitting said bid.

It shall be the sole responsibility of the bidder(s) to undertake appropriate due diligence in determining whether or not the real property of interest may be used for the bidder's intended purpose.

For City use only:  
Bid documents complete \_\_\_\_\_  
Deposit received \_\_\_\_\_  
Paddle No: \_\_\_\_\_

CITY OF EL PASO DE ROBLES

REAL PROPERTY BID SUBMISSION FORM AND AGREEMENT

(Must be completed separately for each property)

NAME OF BIDDER: \_\_\_\_\_  
STREET ADDRESS OF BIDDER: \_\_\_\_\_  
CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_  
PHONE NO: \_\_\_\_\_

MAILING ADDRESS (IF DIFFERENT FROM ABOVE)

BID PROPERTY:

APN: \_\_\_\_\_ (herein the Property)

MINIMUM BID: \$ \_\_\_\_\_ (per Table I)

\$ \_\_\_\_\_ (deposit) EQUALING 10% OF MINIMUM BID IS ATTACHED in the form of cash, cashier's check, or certified check. (Checks to be made payable to the City of El Paso de Robles.)

(optional)

BIDDER'S AUTHORIZED AGENT: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PHONE NO: \_\_\_\_\_

BIDDER UNDERSTANDS AND AGREES AS FOLLOWS:

1. The above-described BID PROPERTY will be sold to the highest bidder at auction on the terms and conditions herein stated.
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4. Bidder can withdraw this bid by delivery of signed written instructions to the City Clerk no later than 7:00 p.m., December 3, 1998. Otherwise Bidder is bound by this Agreement.
5. The Property is sold on an "AS-IS" basis without warranty of any kind, except for title.
6. Bidder has the right to conduct inspections, investigations, tests, surveys, and other studies at Bidder's expense prior to the auction date specified in Section 19. Bidder accepts full responsibility for discovering whatever damages or problems may be present with the Property or its improvements and any personal property included in the sale. Bidder is strongly advised to retain professionals with appropriate qualifications to conduct inspections of the Property.
7. It is Bidder's sole responsibility to undertake appropriate due diligence to determine whether or not the Property may be used for Bidder's intended purpose.
8. Structural Pest Control Report and repair work is not a condition of sale.
9. The sale and title is subject to all liens, encumbrances, easements, covenants, conditions, restrictions, rights, and other matters shown on the preliminary title report. A preliminary title report is available for Bidder's review and inspection at the City's Department of Administrative Services located at 1000 Spring Street, Paso Robles, California 93446. Said preliminary title report is incorporated herein by reference.
10. The deposit is non-refundable and shall be deposited into escrow to be applied towards the purchase price. In the event Bidder does not complete escrow as provided herein, the City of El Paso de Robles shall keep said deposit.
11. Escrow shall close within thirty (30) days of the award to the successful bidder. Unless otherwise agreed to, the escrow agent shall be designated by City.
12. The Property is subject to reassessment upon change of ownership. This sale will affect real property taxes.
13. No broker has been retained by the City and no commission will be paid to any person, firm, or representative of Bidder.
14. Real property assessments, if any, which are liens on the Property shall be paid current and prorated between City and Bidder as of the date of close of escrow.
15. Bidder to pay all escrow fees. City to pay for title report.
16. If Property is improved, all existing fixtures and fittings that are attached to the Property, or for which special openings have been made, are included in the bid price, and shall be transferred free of liens. This includes, but is not limited to, existing electrical, lighting, plumbing and heating fixtures, built-in appliances, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes and related equipment, air coolers/conditioners, water softeners (if owned by City), security systems/alarms (if owned by City), garage door openers/remote controls,

attached fireplace equipment, mailbox, in-ground landscaping including trees and shrubs.

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I have read and agree to be bound by the terms and conditions stated herein.

\_\_\_\_\_  
(Bidder's signature)

Print name: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
(Bidder's signature)

Print name: \_\_\_\_\_  
Date: \_\_\_\_\_

11-15