



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen

SUBJECT: QUITCLAIM OF A RIGHT OF FIRST REFUSAL TO ASSESSOR PARCEL
660-19-007

DATE: 03-16-09

Approved

Date

3/20/09

COUNCIL DISTRICT: 8

RECOMMENDATION

Adoption of a resolution authorizing the Director of Public Works to execute, on behalf of the City, a deed quitclaiming any property interest or first right of refusal which the City may have in Assessor Parcel No. 660-19-007 and that was granted to a prior owner.

OUTCOME

Quitclaim of the City's real property rights to Assessor Parcel No. 660-19-007 will acknowledge that the City does not have any real property rights in the subject parcel thus helping to clear title for the heirs of the property owners so that they may proceed with sale of the property.

BACKGROUND

The property for which a quitclaim is being sought is located at 3761 Yerba Buena Road in San José. In 1981, Robert and Felicia Wool granted property to Syntex, Inc. Their original property was divided into Parcel "A" (28 acres) and Parcel "B" (1.6 acres). Parcel "A" was sold to Syntex, which also received a right of first refusal to purchase Parcel "B" from the Wool family. The first right of refusal was recorded against both Parcels "A" and "B".

In 1989, Syntex conveyed 4 acres of Parcel "A" to the City of San José, which eventually was improved with Murillo Avenue (now Yerba Buena Road). Parcel "A" was never developed by Syntex. No document was ever recorded by Syntex which expressly relinquished the first right of refusal to Parcel "B". The remainder of Parcel "A" was eventually subdivided in 1990 into two portions, which now are a large unimproved area and an improved commercial parcel adjacent to Parcel "B", and which were sold to other owners.

The heirs of Robert and Felicia Wool now wish to sell Parcel "B". Their attorney has approached staff requesting a quitclaim to clear title to Parcel "B", to avoid a potential quiet-title claim. A map identifying the subject property is attached as Exhibit A.

ANALYSIS

The City's only interest in the property that once comprised Parcel "A" is the roadway, Yerba Buena Road. It is not clear that the first right of refusal that applied to the original transaction between the Wools and Syntex is applicable to the City's roadway, due to the subsequent subdivisions of Parcel "A". Further, staff would not recommend the exercise of a first right of refusal in any event as there is no identified need for this parcel.

A quitclaim of any rights that the City may have to Assessor Parcel No. 660-19-007 will help to clear title for the heirs of Robert and Felicia Wool so that they may proceed with the sale of the property and avoid any action to quiet title.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

While this action does not meet any of the above criteria, this memorandum will be posted on the City's website for the April 7, 2009 Council agenda.

COORDINATION

This project and memorandum have been coordinated with the City Attorney's Office, Planning, Building and Code Enforcement Department and City Manager's Budget Office.

FISCAL/POLICY ALIGNMENT

Quitclaim of Assessor Parcel 660-19-007 relieves the City from any future claims of liability and/or responsibility for the property's maintenance.

COST SUMMARY/IMPLICATIONS

There are no costs and no income to the City resulting from the proposed City quitclaim of real property rights in Assessor Parcel No. 660-19-007.

HONORABLE MAYOR AND CITY COUNCIL

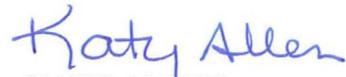
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CEQA

CEQA: Not a project.



KATY ALLEN

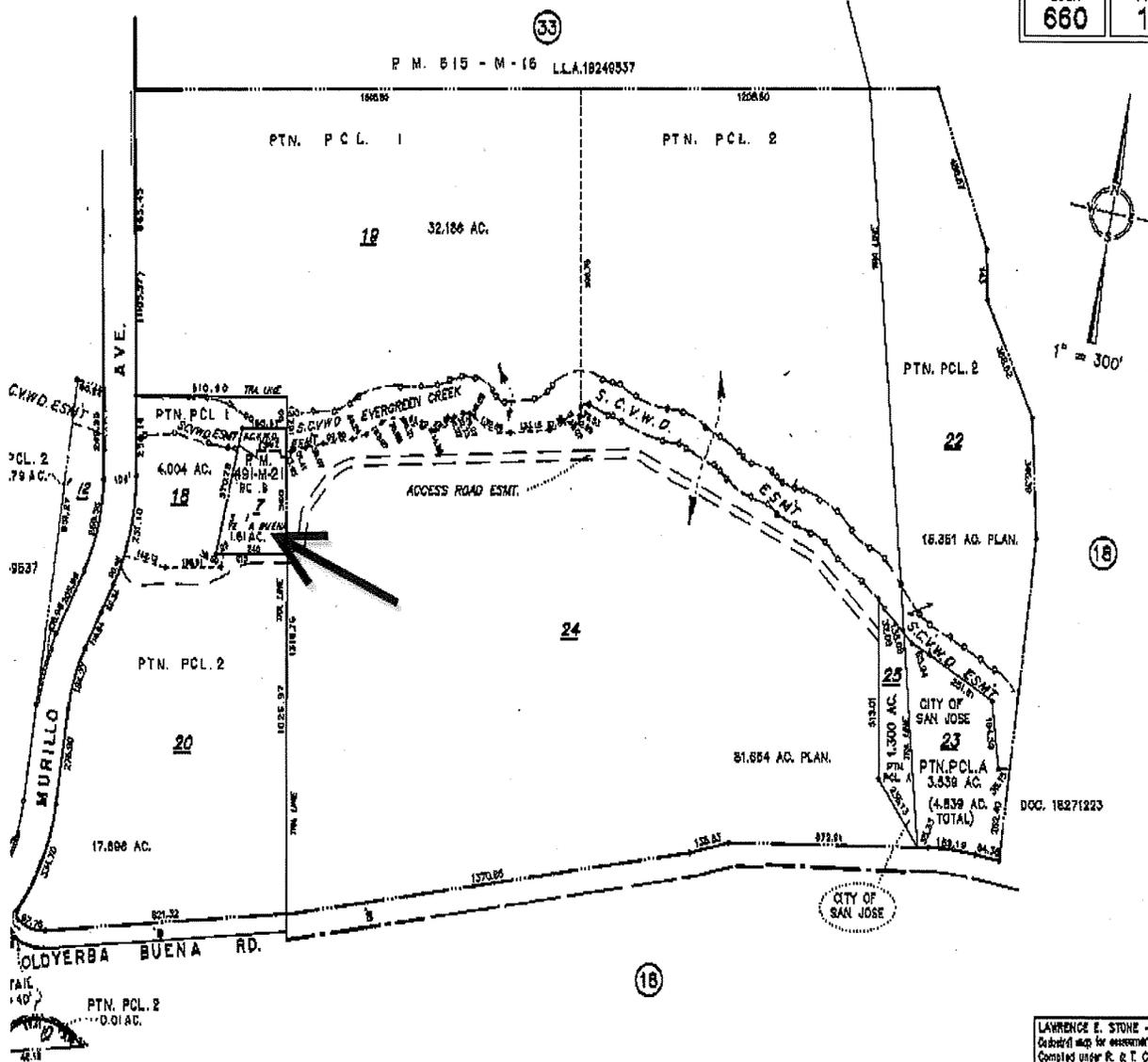
Director, Public Works Department

For questions please contact PHIL PRINCE, DEPUTY DIRECTOR, at 408-535-8300.

EXHIBIT A

OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA

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LAWRENCE E. STONE - ASSESSOR
 Subdivided map for assessment purposes only.
 Compiled under R. & T. Code, Sec. 537.
 Effective Roll Year 2008-2007