

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY OF SAN JOSE

MEMORANDUM

TO: OVERSIGHT BOARD	FROM: DEBRA FIGONE EXECUTIVE OFFICER
SUBJECT: SEE BELLOW	DATE: November 30, 2012

**SUBJECT: DISCUSSION OF THE SOLICITATION OF REAL PROPERTY
ASSETS RESULTS**

RECOMMENDATIONS

It is recommended that the Oversight Board review the results of the solicitation for offers to purchase the following real property assets of the Successor Agency: East Santa Clara Street Development Site (193 East Santa Clara Street), Hoffman Via Monte parcels (5647 Gallup Drive and 1711 Mesa Drive), and the Central Place Parking Garage (88 East San Fernando Street) and, if such offers to purchase are within a range of fair market value, take no action to reject such offers.

BACKGROUND

On November 8, 2012, the Oversight Board approved the solicitation of offers to purchase four real property assets of the Successor Agency. These real property assets include East Santa Clara Street Development Site (193 East Santa Clara Street), Hoffman Via Monte parcels (5647 Gallup Drive and 1711 Mesa Drive), and the Central Place Parking Garage (88 East San Fernando Street). Successor Agency staff released the solicitation on November 12, 2012, and offers to purchase the various properties are due to the Successor Agency on December 3, 2012.

ANALYSIS

As part of the Oversight Board's approval of the solicitation, the Oversight Board directed Successor Agency staff to provide an estimate of value for the properties included in the solicitation to determine if the offers to purchase were within a range of fair market value. As such, Successor Agency staff has contracted Donn Byrne Jr. of Colliers International to provide estimates of value for the solicitation properties. Mr. Byrne has over 20 years experience as an appraiser in Santa Clara County and currently holds MAI and ASA certifications. Due to the tight time frame and limited Successor Agency resources, Mr. Byrne will provide estimates of value for the properties rather than a full appraisal. Full appraisals of these properties would have taken five weeks and would have cost approximately \$18,000. The estimates of value will provide an accurate estimate for the

OVERSIGHT BOARD

November 30, 2012

Subject: Real Property Solicitation Update

Page 2

properties. The total cost to the Successor Agency for the estimates of value is approximately \$6,000.

Successor Agency staff will provide a Supplemental Memo with the results of the solicitation and the estimates of value after the offers to purchase are received on December 3, 2012.

EVALUATION AND FOLLOW-UP

Staff will provide a Supplemental Memo to the Oversight Board with the results of the solicitation process prior to December 6, 2012, and a recommendation to either reject any offers that are not within a range of fair market value or, if such offers are within a range of fair market value, to take no action to reject such offers.

FISCAL IMPACT

The sale of these assets will provide the Successor Agency with additional funds to pay enforceable obligations during the ROPS 3 period.


DEBRA FIGONE
EXECUTIVE OFFICER 

For more information, contact Richard Keit, Managing Director, Successor Agency, at 408-795-1849