Approved as to Form DONNA R. ZIEGLER, County Counsel

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THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA RESOLUTION NUMBER R-2022-522

AUTHORIZE THE PUBLIC SALE OF SURPLUS PROPERTY; ASSIGN BROKERAGE TO SELL PROPERTY; SET TERMS AND CONDITIONS; DATE, TIME, AND PLACE FOR OPENING PROPOSALS; POST AND PUBLISH

WHEREAS, the County of Alameda, a political subdivision of the State of California, is the owner of an undivided 50% interest in the fee title of that certain improved real properties located at 1150 and 1220 Harbor Bay Parkway, Alameda, CA ("Property"), and more particularly designated and described as:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

WHEREAS, the City of Oakland, a municipal corporation, is the owner of the other undivided 50% interest in the fee title in the Property; and

WHEREAS, this Board of Supervisors found and determined that the County's 50% undivided interest in the Property should be offered for public sale; and

WHEREAS, the City of Oakland's City Council has determined that the City's 50% undivided interest in the Property should be offered for public sale; and

WHEREAS, the City of Oakland and the County of Alameda have entered into a Tenancy in Common Agreement ("Agreement") through which they have agreed to coordinate the sale of each party's respective 50% undivided interest in the Property, and further to designate the County of Alameda as the party that shall conduct the sale of the Property, acting as agent for the City of Oakland; and

WHEREAS, the City of Oakland has taken such actions as may be required by law to permit the sale of its 50% undivided interest in the Property, and for that sale to be conducted by the County of Alameda acting as agent for the City of Oakland; and

WHEREAS, the requirements of Sections 54222 and 65402 of the Government Code of the State of California have heretofore been complied with, insofar as said code sections apply to the public sale of the Property; and

NOW THEREFORE, BE IT RESOLVED, that the Property described in the attached Exhibit "A" is approved for public sale under the following terms and conditions, to wit;

1. AUTHORIZE PAYMENT OF COMMISSION TO BROKER

Retain Landis Graden from DCG Strategies, Inc. ("Broker") as the County's broker to whom commission shall be paid from the proceeds of sale of the Property at the rate of 2.5%, except in the event the winning bidder is also represented by a broker, the commission shall be 5%, which amount shall be split evenly between said broker and Broker.

2. MINIMUM PROPOSAL

The minimum acceptable written proposal for the purchase of the Property is Thirty-Five Million Eight Hundred Thousand Dollars (\$35,800,000.00).

3. OFFICIAL PROPOSAL FORM

No written proposal will be considered unless submitted on the County of Alameda's Official Proposal form, which is available from DCG Strategies 7600 Dublin Blvd., Suite 275 Dublin, CA 94568, telephone (925) 479-1350, on or before **Friday, June 30, 2023**, by 4:30 p.m.

4. **DEPOSIT**

Each bidder shall deposit with Old Republic Title the sum of Three Hundred Fifty Thousand Dollars (\$350,000.00) by a <u>cashier's check</u> or <u>certified check</u>, payable to "Old Republic Title c/o 1150 and 1220 Harbor Bay Parkway". Personal checks are not acceptable. The required deposit must be submitted with each written proposal in order for such proposal to be considered. In the event of oral bids, each person present who has submitted the required deposit and completed the Official Proposal Form is an eligible oral bidder. No deposits will be accepted by Old Republic Title, nor shall oral bids be accepted if the proposed bidder has not submitted the required deposit and completed the Official Proposal Form and delivered it to Old Republic Title Company c/o 1150 and 1220 Harbor Bay Parkway, 555 12th Street, Ste 2000 Oakland, CA 94607 on or before **Wednesday, July 5, 2023, by 4:30 p.m**. Upon completion of all bidding and acceptance of the highest bid, Old Republic Title will return the deposits to all parties except the high bidder, whose deposit will be retained, becomes non-refundable, and will be credited to the purchase price of the Property.

5. SALE PROCEDURE

(a) Written Proposals:

All of the written proposals received will be opened, examined, and declared acceptable or not by the Director of the General Services Agency, or her designee. Of the proposals submitted which conform to all of the terms and conditions herein stated, and which are made by responsible proposers, the proposal, which is the highest shall be accepted, unless a higher oral bid is accepted or the Director of the General Services Agency, or her designee, rejects all written proposals and oral bids. If no acceptable written proposal is received, the Property will be withdrawn from sale.

(b) Oral Bids:

If the Director of the General Services Agency is in receipt of one or more acceptable written proposals, the Broker will call for oral bids immediately following the opening examination, and declaration of acceptability of the written proposals. If, upon the call for oral bids, any responsible person who has made the required deposit and completed the Official Proposal Form as set forth above can offer to purchase the Property upon the terms and conditions herein stated, for a price exceeding the highest written proposal made by a responsible proposer by at least five percent (5%). After an initial oral bid is made, oral bidding may proceed in increments set by the Broker until the highest oral bid is finally made and accepted.

(c) Duplicate High Proposals:

In the event that two or more written proposals are received which are equal in amount, and no oral bids are made, the proposal accepted shall be that of the proposer whose name is drawn by lot immediately after the call for oral bids.

(d) Rejection of Written Proposals and/or Oral Bids:

The Director of the General Services Agency, or her designee, at his or her discretion, may reject any and all written proposals and/or oral bids and withdraw the Property from sale. If the sale is canceled, all deposits will be refunded without payment of interest.

(e) Final Acceptance by Board of Supervisors

Final acceptance of the highest written or oral bid, as the case may be, shall be subject to approval of the Board of Supervisors by resolution.

6. **GENERAL**

The Property is sold "as is" and the County of Alameda will pay to Broker the commission in accordance with the terms of paragraph 1 of this resolution in connection with the sale. Recording and survey monument preservation fees and documentary transfer tax shall be paid by the purchaser. The County of Alameda and the City of Oakland make no representations as to the condition of the Property, conformance to zoning requirements or permit regulations, soil conditions, or the existence, if any, of hazardous materials on the Property. No title shall pass until the transaction is completed by recordation of the Quitclaim or Grant Deed, at County's discretion. Purchaser is responsible for conducting their own due diligence.

7. CONDITIONS OF SALE

The total balance of the approved purchase price shall be paid in full on or before the first working day following forty-five (45) calendar days after the date of acceptance of either the highest written proposal or oral bid by the Board of Supervisors. Payment shall be made by cashier's check or certified check payable to "Old Republic Title c/o 1150 and 1220 Harbor Bay Parkway". At the time of payment, the recording and survey monument preservation fees and documentary transfer tax shall also be paid by check payable to "Old Republic Title c/o 1150 and 1220 Harbor 1150 and 1220 Harbor Bay Parkway". Check(s) shall be delivered to Old Republic Title

Company c/o 286 14th Street, 555 12th Street, Ste. 2000 Oakland, CA 94607, by no later than 4:30 p.m. of the aforestated first working day following the 45th calendar day after the aforesaid date of acceptance. Property taxes bills that would become delinquent on or before final acceptance of the highest proposal or oral bid by the Board of Supervisors shall be the responsibility of the City of Oakland and/or the County of Alameda as the case may be under the Agreement, and if they remain delinquent at the close of escrow shall be paid by the title officer out of the sale proceeds; excepting this circumstance there shall be no proration of property taxes. On the day of receipt of said funds or prior thereto, or on the following first working day, Real Property Management shall cause the recordation of the Quitclaim or Grant Deed, at County's discretion, at the office of the Alameda County Recorder, thereby completing the transaction.

8. ESCROW

Escrow shall be conducted by Old Republic Title and the escrow number of the escrow so opened within one (1) day of Board of Supervisors acceptance. The instructions for the escrow will be based upon the terms and conditions specified in this Resolution. The successful bidder shall pay all costs of this escrow, including recording fees, documentary transfer taxes, and any other title and escrow fees and charges. The sale shall be at no expense to the County or the City of Oakland, except that (a) the Broker shall be compensated as provided in paragraph 1, and (b) delinquent property taxes shall be paid as provided in paragraph 7. This transaction is to close within 45 days of Board acceptance of the high bid.

9. ENTRY ON PROPERTY TO CONDUCT INVESTIGATION

If a prospective proposer needs to gain entry to the Property to conduct any form of investigation or to tour the Property prior to the below stated date of opening written proposals, said party shall schedule a prospective appointment to tour the Property with Real Property Management (510) 301-0002. Open houses shall be conducted by the Broker, who shall advertise open house dates and times Property is to be held open.

10. **DEFAULT**

The non-payment of the full purchase price by the first working day following the 45-day time limit shall result in cancellation of the sale and forfeiture of deposit. No extension of time for payment will be granted.

The proposer or oral bidder understands and agrees that failure to comply with the provisions herein or other default will result in actual damages to the County and the City of Oakland, which will be extremely difficult to ascertain and determine. The County has determined that the required deposit is equal to or less than the estimated actual damages, which will be incurred by the County and the City of Oakland by the proposer's or oral bidder's default. Therefore, to avoid uncertainty and litigation should default occur, the County, the City of Oakland, and the proposer or oral bidder agree that the required deposit represents appropriate liquidated damages.

AND BE IT FURTHER RESOLVED, that Monday, July 10, 2023, at the hour of 11:00 a.m., at 1220 Harbor Bay Parkway, Alameda CA, be and the same are hereby fixed as the date,

time and place for opening written proposals for the purchase of the real property described in Exhibit "A"; and

BE IT FURTHER RESOLVED, that copies of this resolution, signed by the President of this Board of Supervisors, shall be posted in three (3) public places in the County of Alameda, not less than fifteen (15) days prior to the date hereinbefore fixed for reception and opening of written proposals; and

BE IT FURTHER RESOLVED, that this resolution shall be published once a week for three (3) successive weeks prior to the date of reception and opening of proposals in <u>Inter-City</u> <u>Express (News)</u>, a newspaper of general circulation, published in Alameda County; and

BE IT FURTHER RESOLVED, that the proceeds from the sale of said real property shall be deposited in the Fund 21502 - Surplus Property Development Trust account.

BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA, THIS 18TH DAY OF OCTOBER, 2022.

Exhibit A LEGAL DESCRIPTION

The land referred to in this Report is situated in the County of Alameda, City of Alameda, State of California, and is described as follows:

TRACT ONE:

PARCEL ONE:

Parcel 2, Parcel Map 4507, filed February 13, 1985, Map Book 152, Pages 152, Pages 21-22, Alameda County Records.

EXCEPTING THEREFROM:

1. All overlying and other water rights, including, without limitation, the right to appropriate water and distribute it to other property without any right to the use of or rights in or to any portion of the surface of said land. The owner of the reserved water rights, however, covenants that it will not exercise the rights reserved over the surface of the property described above or within the subsurface of such property above a depth of 100 feet below the surface of said property. Breach of the foregoing covenant shall not, however, terminate or forfeit the rights so reserved, but injunctive relief and other appropriate legal and equitable remedies may be sought and obtained to prevent or remedy any such breach;

2. All oil, gas, mineral, geothermal and hydrocarbon substances in and under or that may be produced below a dept h of 500 feet below the surface of said property without any right of entry upon the surface of said land for the purposes of mining, drilling, exploring or extracting such oil, gas, minerals, geothermal or hydrocarbon substance and except as provided above with respect to water rights, without any right to the use of or rights in or to any portion of the surface of said land to a depth of 500 feet below the surface thereof. As reserved in the deed from Harbor Bay Isle Associates, a California General Partnership recorded July 17, 1987, Series

No. 87-201160, Alameda County Records.

PARCEL TWO:

Easement granted in the Deed to Chamanreal Inc., N.V., a Netherlands Antilles Corporation, recorded July 17, 1987, Series No. 87-201160, and subject to that certain Agreement for Limitation of Easement Rights, recorded July 17, 1987, Series No. 87-201161, Alameda County Records, described as follows: A non-exclusive easement as an appurtenance to Parcel One above, for construction, reconstruction, maintenance, repair and use of ingress and egress facilities and public and private utilities, sanitary sewers and storm drainage facilities

over the strip of land designated as "ESMNT.A", lying within Parcel 4, Parcel Map 4507, filed February 13, 1985, Map Book 152, Pages 21-22, Alameda County Records.

PARCEL THREE:

Easement created in the Deed from Harbor Bay Isle Associates, a partnership, to the City of Alameda, a municipal corporation, recorded July 2, 1986, Series No. 86-158280, Alameda County Records, described as follows: An easement for an encroachment of a concrete wall along the Southerly boundary line of Parcel 3, Parcel Map 4507, filed February 13, 1985, Map Book 152, Pages 21-22, as an appurtenance to Parcel One above, including without limitation, a right of entry onto Parcel 3, for the purpose of maintaining the concrete wall and the right to drain temporarily the pond on Parcel 3 during the period of such maintenance.

Assessors Parcel No. 074-1339-016

TRACT TWO:

1150 and 1220 Harbor Bay Parkway

Parcel 1, Parcel Map 7025, filed December 4, 1997, Map Book 232, Page 98, Alameda County Records. EXCEPTING THEREFROM:

All oil, gas, mineral, geothermal and hydrocarbon substances in and under or that may be produces below a depth of 500 feet below the surface of said property without any right of entry upon the surface of said land for the purpose of mining, drilling, exploring or extracting such oil, gas, mineral, geothermal or hydrocarbon substances and, except as provided above with respect to water rights, without any right to the use of or rights in or to any portion of the surface of said land to a depth of 500 feet below the surface thereof.

APN: 074-1361-008