

## Item #14

# Consideration of Site Acquisition 434-470 N. Lake Avenue

**Property: 434-470 North Lake Avenue**  
**Under negotiation: Price and terms**  
**Agency negotiator: Miguel Márquez**  
**Negotiating Party: Kaiser Permanente**

April 24, 2023



An aerial photograph of an urban area. A large rectangular area in the lower right is outlined with a yellow dashed line. The area inside the dashed line contains several large, light-colored industrial or commercial buildings. To the left of this area is a multi-lane road with traffic. Further left is another road with parked cars. The top left corner shows a parking lot with many cars. The overall scene is a dense urban environment with various buildings and streets.

Existing  
Station 33

Villa Street

North Lake Avenue

Existing Kaiser Site



# Recommendation

1. Authorize City Manager to execute a Purchase and Sale Agreement to property at acquire 434-470 N. Lake Ave., in the amount of \$12M;
2. Amend the FY 2023 Operating Budget by an amount not to exceed \$12M; and
3. Find that the acquisition of the subject property is being undertaken without plans for any specific use or development of the project at this time and therefore the change in title ownership does not have the possibility of causing a potentially significant impact on the environment and is exempt from further CEQA review pursuant to Guidelines Section 15061 (b)(3).



# Acquisition Opportunity

- Kaiser has listed 103,630 sf lot (2.38 acres)
  - > North Lake Specific Plan is being updated – General Plan Designation of Med. Mixed Use (base 87 units per acre, 130 units with Density Bonus)
  - > Joint Opportunity with County;
  - > \$12M – \$6M City and \$6M County
  - > \$1M Deposit
  - > Approximate 90 day due diligence period



# County Partnership

- County
  - > Negotiations with **County** have been collaborative.
    - Partnership – County to bring agreement to their Board on May 2;
    - \$6M Commitment for acquisition;
    - Monthly meetings/reports; and
    - 12,000 square feet for County Uses



# Acquisition Only – No Project

- Recommend moving forward tonight:
  - > To ensure the property is available to City for future needs;
  - > Request for City Council is to authorize City Manager to execute PSA **concurrent** with the Board's approval;
  - > Development of any future project will require public input and hearings, compliance with all applicable development regulations, including CEQA and SUBJECT to CITY COUNCIL approval – tonight's action does NOT approve a project or force the City into any particular course of action other than acquisition; and
  - > County and City's expectation for future development align with General Plan – mixed income development with community serving commercial and City and County uses.
  - > Property could be sold if development not attainable.



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