



**SUMMARY REPORT FOR THE PROPOSED
DISPOSITION AND DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF LAKE
ELSINORE (CITY) KATHRYN J. ABOOD, TRUSTEE**

This Summary Report has been prepared pursuant to California Government Code Section 52201. The report sets forth certain details of the proposed Disposition and Development Agreement (DDA) By and Between the City of Lake Elsinore (City) and Kathryn J. Abood, Trustee.

A. The Agreement.

A copy of the DDA is attached.

B. The basic terms of the Agreement:

(i) **The Property.** In July 2018, the City purchased that certain unimproved real property comprised of approximately 1.69 acres located on the south side of Central Avenue, just east of Trellis Lane in the City of Lake Elsinore (Assessor's Parcel No. 347-110-089) ("City Property"). The City Property is located adjacent to approximately 11.3 acres of unimproved properties zoned Commercial Mixed Use (CMU) (the "Developer Property"). A Map of the City Property and Developer Property is attached as Attachment No. 1 to the DDA.

(ii) **Cost of the Agreement and Value of the Interest to be Conveyed.** The City purchased the City Property for the appraised fair market value of \$73,500 and proposes to sell the City Property to the Developer for the same appraised fair market value of \$73,500. In addition to payment of the purchase price, the DDA provides that the Developer will reimburse the City the costs associated with the acquisition and disposition of the City Property, including escrow, title and legal fees. The City Property will be conveyed in "as is" condition and no other costs related to the City Property or the proposed conveyance will be incurred by the City.

(iii) **Economic Opportunity.** The City Property is unimproved and was owned by the Riverside County Transportation Commission prior to the City's acquisition in July 2018. As a publicly-owned property, the City Property has not generated any tax revenue. Development of the adjacent Developer Property is hampered by limited circulation and street access. Since the great recession of the late 2000's, market conditions have been improving and the City has experienced significant growth. By conveying the City Property to the Developer and merging the City Property with the Developer Property, the "Merged Property" will provide a viable commercial mixed use development site with direct access to/from Central Avenue. New commercial development will serve City residents and visitors, provide jobs and generate tax revenues to the benefit of the City and other taxing entities. Because there is no net investment of public resources, the increased property taxes, potential sales taxes and job generation meets the "economic opportunity" described in Government Code 52200.2.