



**SUMMARY REPORT FOR THE PROPOSED
DISPOSITION AND DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF LAKE
ELSINORE (CITY) AND RICARDO F. SOLANO AND MIRIAM MARTINEZ SOLANO**

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 Ricardo F. Solano and Miriam Martinez Solano.

A. The Agreement.

A copy of the DDA is attached.

B. The basic terms of the Agreement:

(i) **The Property.** Ricardo F. Solano and Miriam Martinez Solano (the “owners”) are owners of the Guadalajara Restaurant in Lake Elsinore (the “Developer Property”), consisting of Assessor’s Parcel No. 374-174-008 and -009) comprised of approximately 0.166 acres. The owners currently lease from the City property adjacent to the Developer Property as an outdoor patio area (the “City Property”). The City Property (Assessor’s Parcel No. 374-174-010) consists of 0.07 acres (3,000 square feet). The City Property has been leased to the owners continuously for nearly 24 years since acquisition by the City in 1995. Both properties are zoned Commercial Mixed Use.

(ii) **Cost of the Agreement and Value of the Interest to be Conveyed.** The City Property has been appraised at \$45,000. In addition to payment of the purchase price, the DDA provides that the Developer will pay all escrow and closing costs with the exception of the City’s responsibility to pay for a title policy as is customary in real property transactions. 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.** Developer currently uses the City Property, under a lease with the City, as an outdoor patio area for the restaurant. Because the patio is a separate legal parcel, the Developer’s ability to improve the patio area as an integrated party of the restaurant is limited. Developer wishes to purchase the City Property, make certain improvements on it, and expand the continued use of the patio area in conjunction with the restaurant. 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 site that will allow integrated improvements to increase and expand the use of the patio area. The new and improved integrated restaurant and patio 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.