

# Lot E Public Parking Land Acquisition - 517 W Saint John St.

June 20, 2023

Item 8.2

**OEDCA**

Nanci Klein, Director

**OEDCA**

Kevin Ice, Senior Real Estate Manager



## Background

- 2016 Settlement Agreement between City, Trammel Crow, and Sharks obligates the City to acquire parcels needed to construct the Lot E Parking Facility
- City Council approved use of eminent domain to acquire 517 W Saint John Street and 150 N Montgomery Street on October 18, 2022
- Staff directed to seek mutually agreeable settlement for acquisition and avoid condemnation, if possible

## Recommendation

- Adopt a resolution authorizing the City Manager, or designee, to:
  - Negotiate and execute a Purchase and Sale Agreement with the Thorson and Della Maggiore families for \$5,100,000
  - Issue an I.R.S. Section 1033 exchange letter to Sellers
  - Execute all other documents and pay all expenses necessary to effectuate the transfer of 517 W Saint John Street to the City

# Lot E Parking Facility Footprint



# 517 W. Saint John St. Summary



- Purchase Price: \$5,100,000
  - \$260.87 per sq. ft.
- Size: 19,166 sq. ft. (0.44 acres)
- As-is sale
- Improved with a warehouse
  - Thorson Tile & Stone
  - Sharks Sports & Entertainment
- Relocation costs estimated at \$275,000
- Closing costs estimated at \$10,000

# Thank you!

Staff are available for questions.

SANJOSE