



McKINNON PROPERTY

VACANT BAYVIEW LOT

REAL ESTATE SALES AGREEMENT

BUDGET AND FINANCE COMMITTEE MEETING | MAY 7, 2025

Background

- The McKinnon property (APN 5588A/04) is a vacant, 17-foot-wide former railroad spur situated between McKinnon and Newcomb Streets in the industrial area of the Bayview District.
- The property is a former right of way conveyed to the City in 1942 as part of a land exchange agreement, but currently serves no functional purpose.
- The Real Estate Division (RED) received an unsolicited offer last year from an adjacent property owner to purchase the parcel for \$375,000.
- RED, in consultation with the City Attorney's Office, determined that the property may be conveyed by resolution, without advertisement, public auction or competitive solicitation, when such would be impractical, impossible, or not in the public interest, if the property is, for example, incapable of independent development (Administrative Code Section 23.3).

Terms of Agreement

- The agreement conveys the Property to McKinnon Bayview LLC for the fair market appraised value of \$375,000, subject to requirements of the State Surplus Land Act (“Act”).
- The Act allows the exemption of certain property from implementation of its procedures when supported by certain findings.
- The criteria exempting the Property from classification as surplus land under the Act are (1) it is less than ½ acre in size and (2) it would be sold to an adjacent property owner.
- The Act stipulates that once the Board declares the Property to be “Exempt Surplus Land” as part of a resolution authorizing its disposition, the City may proceed with the sale.

QUESTIONS?