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**SUBJECT:** Sale of City-Owned Property Located at 498 Fairview Avenue

**DEPARTMENT:** City Manager

**STAFF:** Darin Gale, Assistant City Manager  
Ricardo Noguera, Economic Development Manager  
Abraham Salinas, Senior Analyst

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### **TITLE/RECOMMENDATION**

Adopt a resolution approving and authorizing the City Manager, or designee, to execute an Agreement for Purchase and Sale of real property with Robert J. Freitas II, or related entity, in substantial conformance with the attached agreement, for City-owned property located at 498 Fairview Avenue (APN 012-020-003), and authorizing execution of other documents as necessary to complete the transaction.

### **FISCAL IMPACT**

The purchase of the property at 498 Fairview Avenue was funded by Roadway Development Impact Fees (at the time of acquisition, these same fees were referred to a "Throughway Facility Fees"). The purpose of these fees is to provide a source of funding for traffic improvements necessary to address the impacts of new development.

Should the City Council approve the Purchase and Sales Agreement with Robert J. Freitas II, and the sale of the property in "as-is" condition takes place, proceeds of approximately \$500,000 would be deposited in the Roadway Development Impact Fee Fund.

### **BACKGROUND**

#### **PROPERTY DESCRIPTION**

The City owns a 1.570-acre (68,389 square foot) commercial parcel located at 498 Fairview Avenue (the Property). The site is situated at the southeast corner of Fairview Avenue and Central Boulevard, and is mostly level but has limited access.

The Property is zoned as CO (Administrative/Professional Commercial Office), which allows a variety of business and professional uses. These include offices for architects,



attorneys, accountants, engineers, insurance agencies, real estate professionals, and medical, dental, and optical services, among others. Similar uses may also be allowed subject to approval by the zoning administrator ([Brentwood Municipal Code Chapter 17.210](#)).

### **SURPLUS LAND ACT PROCESS**

In 2020, the Property, along with 13 others, was declared surplus. The disposition or sale of surplus real property by the City is governed by the California Surplus Lands Act (SLA) ([Government Code 54220 et seq.](#)), while the disposition of Successor Agency-owned properties must also follow other laws. Final decisions regarding the disposition of City-owned real estate rest with the City Council.

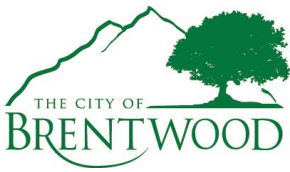
In May 2023, the City Council updated City Council/Administrative Policy No. 10-20 (Attachment 5), which provides detailed guidelines for the sale of City and Successor Agency-owned property. Staff has followed the SLA process and is now moving forward with the sale of the Property in as required by City Council/Administrative Policy 10-20. Although the property is currently not zoned for residential development, in accordance with the SLA, an affordable housing covenant (Attachment 6) must be recorded against the property and will be included in the property's sale.

### **PROPOSED PROJECT**

Dr. Freitas (the Buyer), a long-time local dentist with over 15 years of practice in the city of Brentwood, has deep roots in the community, having been raised in Brentwood. He currently operates his practice from a leased space at the Safeway Town Center in Downtown Brentwood. The Buyer is proposing to purchase the City-owned property located at 498 Fairview Avenue to develop a 5,000 to 7,000-square-foot office building. The proposed project will house his dental practice and accommodate another dentist, with an estimated total workforce of 20 to 25 employees. The building's design will align with the character of the surrounding residential neighborhood, ensuring compatibility and enhancing the area's aesthetic.

The Buyer has offered to purchase the property for \$500,000, has secured financing, and is prepared to commence the project within a reasonable timeframe. The proposed development aligns with the City's zoning and General Plan Land Use Designation as a permitted use. Further approvals would be needed before construction could commence.

Should the City Council approve the Purchase and Sale Agreement (PSA - Attachment 4), staff will work closely with the Buyer to finalize the property sale. The Buyer plans



to close on the property within 90 days and begin construction no later than 36 months after the PSA is fully executed and once all necessary approvals are obtained. Given the limited availability of commercial space in Brentwood and the strategic location of the property, staff anticipates this development will contribute to economic growth through the addition of new businesses, job creation, and increased tax revenue for the City.

### **CITY COUNCIL STRATEGIC INITIATIVE**

Focus Area 3: Economic Development:

- 1.a. Encourage private re-investment through the sale of Successor Agency and City owned real Properties.
- 2.a. Enhance retail recruitment awareness and prioritize activities that display the City's efforts inducing new retail-commercial development.

### **PREVIOUS ACTION**

Previous Action by the City Council is included on Attachment 1.

### **DATE OF NOTICE**

Not Applicable.

### **ENVIRONMENTAL DETERMINATION**

Not Applicable.

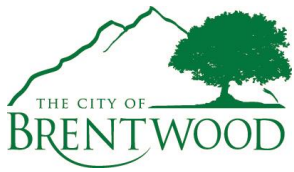
### **ALTERNATIVE OPTION(S)**

Alternative Options to the Staff Recommendation:

1. Do not approve staff's recommendation, which would result in the Property not being sold to this Buyer, and provide direction about what to do with the property.
2. Modify staff's recommendation based on legally defensible findings.
3. Continue item with direction for staff to return with additional information.

### **ATTACHMENT(S)**

1. Previous Action



**CITY COUNCIL AGENDA ITEM NO. F.3**  
**12/10/2024**

2. Resolution
3. Aerial of Site
4. Draft Purchase & Sale Agreement (PSA)
5. City Council/Administrative Policy No. 10-20
6. SLA Affordable Housing Covenant