



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
December 3, 2024

TOPIC: Purchase and Sale Agreement for 2235 South Bristol Street

AGENDA TITLE

Amend Purchase and Sale Agreement with Santana Green Development, LLC to Extend the Deadline to Open Business at 2235 South Bristol Street by 18 Months

RECOMMENDED ACTION

Authorize the City Manager to execute the first amendment to the agreement with Santana Green Development, LLC to extend the deadline to open for business to the public a drive-thru restaurant or fuel station with integrated electric vehicle charging station at 2235 South Bristol Street by 18 months (Agreement No. A-2024-XXX).

GOVERNMENT CODE §84308 APPLIES: Yes

DISCUSSION

On December 21, 2021, the City Council authorized the City Manager to execute a purchase and sale agreement for the sale of remnants at 2235 South Bristol Street (Exhibits 1 and 2) to Santana Green Development, LLC (Developer). The deed transferring the property from the City to the developer was recorded on July 1, 2022.

The purchase and sale agreement (PSA) included a provision in Section 6.24 to ensure the timely development of the remnant property as a drive-thru restaurant or fuel station with an integrated electric vehicle charging station. This provision, referred to as the "Opening Covenant", allowed for the City to buy back the property in the event the proposed development was not open for business within 30 months following close of escrow. The Opening Deadline, pursuant to the provisions of the PSA, would be January 1, 2025.

Although City staff and the Developer have worked diligently and cooperatively to advance the project, the current status of the development indicates that the intended opening date will not be met due to project refinements lengthening the development timeline.

The proposed agreement amendment (Exhibit 3) extends the allowable timeframe in the Opening Covenant from 30 months to 48 months, an increase of 18 months. This extension would provide sufficient time to complete the project entitlements process,

prepare and approve construction documents, finish construction, and open the business to the public. The project, including its conditional use permit, variance, and minor exception applications (CUP No. 2024-13, VA No. 2024-04, and ME No. 2024-03), is scheduled for Planning Commission consideration at the next regularly scheduled meeting, as recommended by staff. In light of the project site's unique complexities stemming from its irregular shape and position at the corner of two major arterial roadways, and the timeframe required to draft construction-level drawings for plan check, undergo the plan check process, and complete the construction process (Exhibit 4), staff recommends approval of the Recommended Action to extend the deadline to open the business to the public by 18 months, changing the opening deadline to July 1, 2026.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action.

FISCAL IMPACT

There is no fiscal impact associated with this action.

EXHIBIT(S)

1. Purchase and Sale Agreement – December 15, 2021
2. Location Map
3. Agreement Amendment
4. Project Site Plan and Evaluations

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Alvaro Nuñez, City Manager