



Fuhrman Bequest Property Dispositions



Fuhrman Bequest Properties – Background

- Estate of Alfred Fuhrman distributed to City cash, stocks and land in 1941, to benefit “...San Francisco Public Library for the acquisition of additional books on economic and political subjects...” and for “...further adornment of Golden Gate Park, as may be determined by the Park Commissioners...”
- Library and Recreation & Parks to split said proceeds 50/50, per the Estate Bequest
- Prior to 1960, City sold all stocks and San Francisco properties
- What remains is approximately 1500 acres in Kern and Fresno County

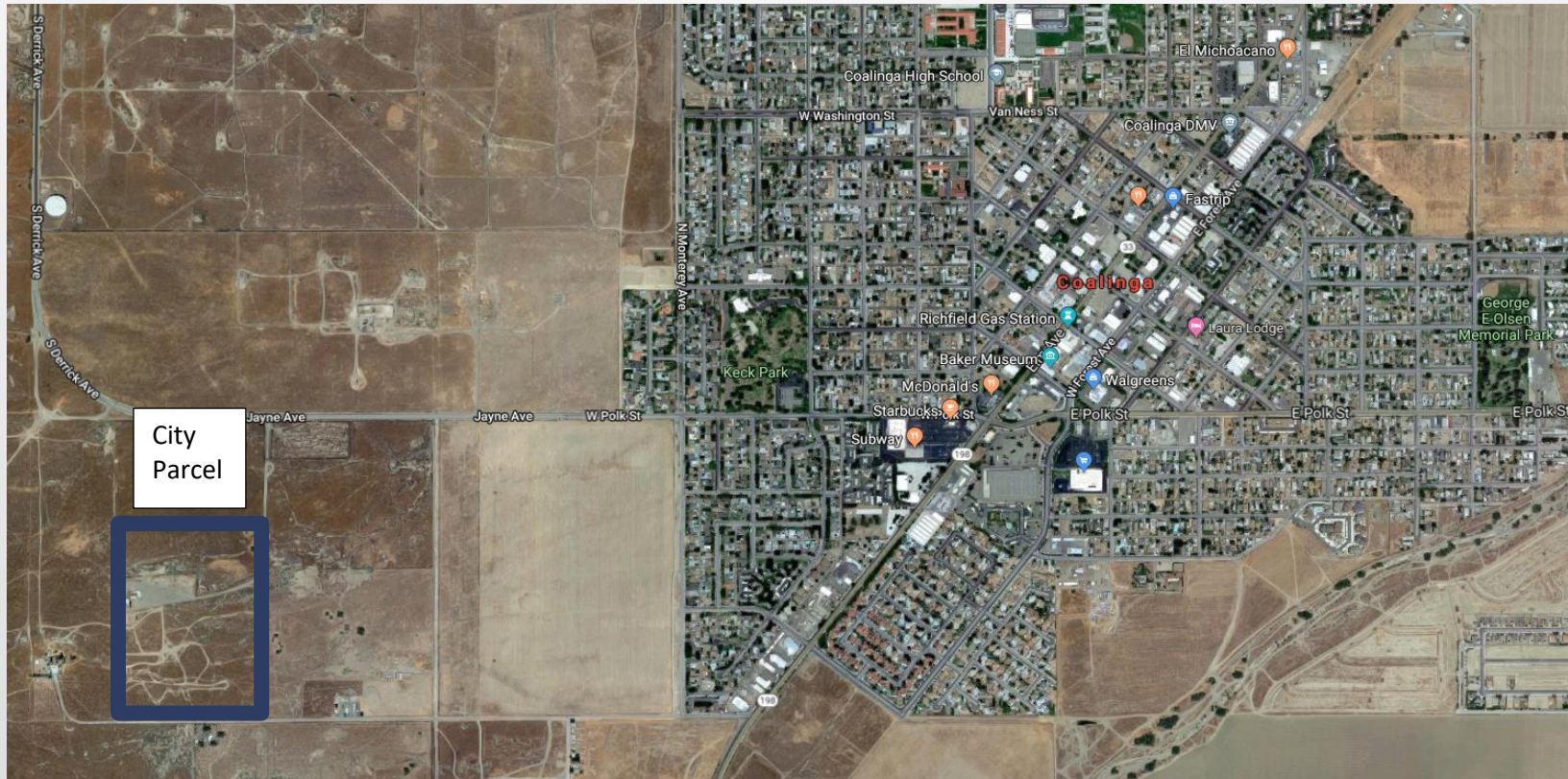
Fuhrman Bequest Properties – Background Kern & Fresno County Assets

- 11 separate properties remain in the portfolio today
 - 1 in Fresno County, just west of city limits of Coalinga, CA – 40 acres
 - 10 in Kern County, north and west of Bakersfield, CA – approx. 1400 acres
- Below is picture of two of the properties in Kern County



Fuhrman Bequest Properties – Fresno County

- Fresno County Property (just west of Coalinga City Limits) shown here:





Fuhrman Bequest Properties – Why Sell Now?

- Our long-standing tenant on the 40 acre parcel in Fresno County recently vacated the property – best course of action is sale at appraised value of \$170,000 vs maximum potential rental income of \$500/month
- In 2016, the Board of Supervisors and Mayor approved “Keep it in the Ground” legislation, barring a renewal of the Oil & Gas Royalty Lease from 1963 with Chevron over 800 acres of the land north of Bakersfield (in the Kern River Oil Field) upon expiration in Spring, 2020.
- Packaging assets for sale with one competitively selected brokerage firm is most efficient
- Market value is maximized at this time



Fuhrman Bequest Properties – Fresno County Action Item for Today's Agenda

- The City and its broker team have a firm offer to purchase the 40 acre parcel outside Coalinga, CA (Fresno County) at the appraised value of \$170,000, under terms and conditions acceptable to the City.
- Real Estate staff recommends the Commission adopt a Resolution that recommends the Board of Supervisors approve a sale of the Property to Richard Storti in the amount of \$170,000 pursuant to the terms and conditions of a Purchase and Sale Agreement as negotiated by Real Estate



Fuhrman Bequest Properties Next Steps Regarding Kern County assets

- As offers are vetted and deemed acceptable by staff, they will be forwarded to this Commission for recommendation to the Board of Supervisors and Mayor
- The 800 acres north of Bakersfield subject to the Royalty Lease with Chevron will be handled separately – expect a more detailed briefing and action item regarding those properties and their disposition late in 2019 or early in 2020, prior to the lease expiration of March 31, 2020