



DECLARING PURSUANT TO
GOVERNMENT CODE SECTION
54221 THAT REAL PROPERTY
OWNED BY THE CITY LOCATED
AT 625 AND 637 THIRD STREET
(PARKING GARAGE 5) IS NON-
EXEMPT SURPLUS LAND
SUBJECT TO THE RETENTION OF
PUBLIC PARKING

City Council Meeting
April 12, 2022



On January 11, 2022, the City Council conducted a study session to discuss housing focused development on specific City Property in the Downtown (Downtown Asset Strategy) to meet Housing Action Plan (HAP) Goals, specifically:

Program 3 :Assemble and offer public land for housing development

Council directed Staff to first make the Garage 5 asset (Property) available through the Surplus Lands Act notice of availability (NOA) provided that public parking is retained

2019 Surplus Lands Act (SLA)

Changes to the SLA government code section 54222

Government owned property must be declared surplus by its governing body prior to disposition or request for proposal (RFP) for development, even with continued use such as public parking.

It must also be made available to housing sponsors for affordable housing through a notice of availability to the State Department of Housing and Community Development (HCD) prior to being offered more broadly through the Request for Proposal/Qualifications (RFPQ) process.

Surplus Declaration

The City has determined that it does not have a public use for the Property other than the continued need for Public Parking. The City could potentially maximize the beneficial use of the Property with the retention of the Public Parking as part of any future development.

Because the Property does not meet the definition for “exempt surplus land” and the City desires to dispose of the Property to:

- Better maximize its value to the community
- In furtherance of the City’s land use and policy goals
- Encourage the development of housing
- Increase activity in the downtown

Council must take this formal action in a public meeting declaring the Property surplus and not necessary for the City’s use, provided that any disposition will provide for the continued Public Parking.

Notice of Availability (NOA)

The Act also requires that the City issue a Notice Of Availability (NOA) to affordable housing sponsors and others for 60 days.

- The City may impose reasonable conditions on the disposition of surplus land, which must be included in the NOA.
- The conditions on the sale of the Property will include the requirement that Public Parking will be retained as part of any future development as there is still a public need, and the City will not dispose of the Property unless assurances have been made that public parking will be provided.

RECOMMENDATION

It is recommended by Real Estate Services and the Planning and Economic Development Department that the Council, by resolution: 1) declare that the City owned property located at 625 and 637 Third Street APN's 009-013-012 and 009-003-011 (Parking Garage 5) is "non-exempt surplus land" as defined by the Surplus Lands Act, provided that Public Parking is retained on the Property as a condition of the sale or long-term lease of the Property; 2) direct City Staff to prepare and submit a Notice of Availability in accordance with the requirements of the Surplus Lands Act; and 3) authorize the City Manager or her designee to take all necessary actions to fully comply with the Surplus Lands Act and carry out the City Council's direction.

Questions?