

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: JASON NUTT, ASSISTANT CITY MANAGER
SUBJECT: APPROVAL OF THE SALE OF THE SURPLUS PARCEL
LOCATED AT 0 COFFEY LANE (APN 058-033-014)

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by Real Estate Services that the Council, by resolution: 1) approve the sale of the surplus parcel located at 0 Coffey Lane (Assessor's Parcel Number 058-033-014) (the "Property"); and 2) authorize the City Manager or designee to execute all documents necessary to complete the disposition, subject to approval as to form by the City Attorney.

EXECUTIVE SUMMARY

The City, after complying with the Surplus Land Act, responded to the offer to purchase the surplus parcel located at 0 Coffey Lane (Assessor's Parcel Number 058-033-014) (the "Property"), by the adjacent property owner. Staff has negotiated a purchase and sale agreement with Dutton Ranch Family Limited Partnership in accordance with the price and terms approved by Council ("Purchase Agreement") and is returning to Council for approval of the Purchase Agreement and authorization for the City Manager to execute all documents necessary to complete the disposition of the Property.

BACKGROUND

The Property was first declared surplus by the City in 2023. In an effort to dispose of property that the City no longer has a public use for, and in compliance with recent developments in California's Surplus Land Act ("SLA") meant to advance state housing goals, the City put a Notice of Availability out for the Property in August 2024 but received no interest from affordable housing developers. The City then received an offer to purchase the landlocked Property from the adjacent property owner. Staff negotiated a Purchase Agreement with the buyer in accordance with the price and terms approved by Council and seeks Council approval of the final sale and delegation of authority to the City Manager to effectuate the sale.

PRIOR CITY COUNCIL REVIEW

On May 6, 2025, the City Council, by Resolution No. RES-2025-067, declared the Property surplus, superseding Resolution No. RES-2023-205.

ANALYSIS

The SLA requires local agencies to make land available for affordable housing before selling or leasing the land for another purpose. After complying with the State requirements and receiving no offers, the City made the Property, which is landlocked, available for purchase to the adjacent property owner who had expressed interest in purchasing it previously. Staff has obtained a Purchase Agreement for the Property executed by the parties, subject to Council approval of the sale. Under the terms of the Purchase Agreement, the Property will be sold as-is for \$105,000, subject to a covenant that states that if ten (10) or more residential units are developed on the Property, not less than 15 percent of the total number of residential units developed on the Property shall be sold or rented at affordable housing cost or affordable rent, as the case may be.

FISCAL IMPACT

Approval of this action does not have a negative fiscal impact on the General Fund.

ENVIRONMENTAL IMPACT

The proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to:

- CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption), which applies where it can be seen with certainty that the activity in question will not have a significant effect on the environment; and
- CEQA Guidelines Section 15312, which categorically exempts the sale of surplus government property provided that the property is not located in an area of statewide, regional, or area-wide significance, and that the property does not have significant value as habitat for endangered, rare, or threatened species.

The subject parcels have been declared surplus and do not meet any of the criteria that would disqualify them from exemption under Section 15312. Additionally, any future development of the properties will be subject to separate discretionary review and CEQA compliance, if applicable. Therefore, the proposed action qualifies for exemption, and no further environmental review is required at this time.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

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NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution

PRESENTER

Jill Scott, Real Estate Manager