## CITY OF SANTA ROSA CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: JASON NUTT, ASSISTANT CITY MANAGER

SUBJECT: APPROVAL OF THE SALE OF SURPLUS PARCELS LOCATED

AT 970, 980, 988, 992, AND 996 STONY POINT ROAD (APNs 125-131-064, 125-131-060, 125-131-058, 125-131-061, AND 125-

131-057)

AGENDA ACTION: RESOLUTION

#### RECOMMENDATION

It is recommended by Real Estate Services that the Council, by resolution: 1) approve the sale of the surplus parcels located at 970, 980, 988, 992, and 996 Stony Point Road (Assessor's Parcel Numbers 125-131-064, 125-131-060, 125-131-058, 125-131-061, and 125-131-057) (collectively, 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, advertised the sale of the surplus parcels located at 970, 980, 988, 992, and 996 Stony Point Road (Assessor's Parcel Numbers 125-131-064, 125-131-060, 125-131-058, 125-131-061, and 125-131-057) (collectively, the "Property"), and received one offer to purchase the Property. Staff has negotiated a purchase and sale agreement with Vicente Reyes 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 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 2023 but did not receive any formal offers from affordable housing developers. The City then advertised the Property on the open market and received one offer to purchase. Staff negotiated a Purchase Agreement with the buyer in accordance with the price and terms approved

APPROVAL OF THE SALE OF SURPLUS PROPERTIES LOCATED AT 970, 980, 988, 992, AND 996 STONY POINT ROAD (APNs 125-131-064, 125-131-060, 125-131-058, 125-131-061, AND 125-131-057)
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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 December 12, 2023, the City Council, by Resolution No. RES-2023-215, declared the Property surplus.

### **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 formal offers, the City made the Property available on the open market and received one offer. 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 \$309,000, 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.

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# BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

## **NOTIFICATION**

Not applicable.

## **ATTACHMENTS**

Resolution

## **PRESENTER**

Jill Scott, Real Estate Manager