



City of Rialto

Legislation Text

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For City Council Meeting [May 26, 2020]

TO: Honorable Mayor and City Council

APPROVAL: Rod Foster, City Manager

FROM: Matt Schneider, Community Development Director
Eric S. Vail, Interim City Attorney

Request City Council to Adopt **Resolution No.7515**, entitled "A Resolution of the City Council of the City of Rialto, California, declaring City Owned Property located at the Southwest Corner of Alder Avenue and Casmalia also known as San Bernardino County Assessor's Parcel Numbers 1119-241-01-0000 and 1119-241-02-0000, as Surplus Land and Directing the City Manager to follow the procedures set forth in the Surplus Land Act, California Government Code Section 54220, et seq., as amended on January 1, 2020 for the sale of the Surplus Land".

BACKGROUND

The City owns real property located at the Southwest Corner of Alder Avenue and Casmalia Street ("Property"). The Property, APN Nos. 1119-241-01, zoned Freeway Incubator (FI) within the Renaissance Specific Plan (RSP), is 7.22 acres in size, and 1119-241-02, zoned FI within the RSP, is 6.00 acres in size. The property is comprised of vacant land covered only by natural shrubs and grasses as well as a Southern California Edison (SCE) overhead transmission line that runs along the entire northern edge of the property.

ANALYSIS/DISCUSSION

Staff analyzed the feasibility of utilizing the Property for community use and determined it was not feasible due to the absence of improvements on the property and the costs associated with developing the property to the standards of the FI zone. Additionally, the Property's close proximity to the Mid-Valley Landfill and the western city limits, as well as its lengthy distance to the nearest residences within the City of Rialto, further diminish the prospect of a convenient and efficient community use at this location.

Staff recommends that the Property be disposed of since it is no longer needed for a City purpose. The sale proceeds and property tax generated may provide funding to enhance City services. Additionally, the future development of the Property would eliminate blight and promote neighborhood livability and sustainability.

The Surplus Land Act requires all local agencies to prioritize affordable housing, as well as parks and open space, when disposing of surplus land. New legislation, which took effect on January 1, 2020, requires that before a local agency take any action to dispose of land, the land must be declared either "surplus land" or "exempt surplus land," as supported by written findings. This new law was part of an effort by the State to make the extensive inventory of local agency property held for future

use available for development as affordable housing. The new law also declares that holding property for the purpose of future industrial, commercial or retail development is no longer considered a public use.

Additionally, California Government Code section 54221(b)(1) requires that the land be declared "surplus land" or "exempt surplus land" before a local agency may take any action to dispose of it consistent with an agency's policies or procedures. Adoption of the resolution (Attachment 1) would declare the Property as surplus land.

Upon the City's determination that the Property is surplus land, the procedures set forth in California Government Code section 54220 et seq. must be followed. Those procedures require the City to offer the sale or lease of surplus land to certain public entities for a period of 60 days, as follows:

1. For the purpose of developing low- and moderate- income housing, a written notice of availability of the surplus land shall be sent to any "local public entity" as defined in Health and Safety Code section 50079 within whose jurisdiction the surplus land is located and to "Housing Sponsors" that have notified the California Department of Housing and Community Development ("HCD") of their interest in surplus land. Local public entities to be notified include the Rialto Housing Authority and the Housing Authority of the County of San Bernardino.
2. For open space purposes, a written notice of availability of the surplus land shall be sent to the San Bernardino County Regional Parks Department and the State Resources Agency.
3. For the purpose of use by a school district for school facilities construction or open-space purposes, a written notice of availability of the surplus land shall be sent to the Rialto Unified School District.

If the City receives a letter of interest from any of the above entities, then the City would enter into good faith negotiations concerning the price and terms of the sale with that entity for a period of 90 days. If the price or terms cannot be agreed upon after 90 days (or if no entity gives notice of interest), the City may sell the surplus land without further regard to the surplus land procedures, except that any residential development on the surplus land that contains 10 or more units must restrict 15% of the units for affordable housing. Nothing in the surplus land procedures requires the City to sell the surplus land at less than fair market value. Any potential agreement for the sale of the Property would be brought to the City Council for consideration at a future date.

ENVIRONMENTAL IMPACT

Sales of surplus government property are exempt from the California Environmental Act (CEQA) pursuant to Title 14 Section 15312 of the California Code of Regulations.

GENERAL PLAN CONSISTENCY

The proposed action fulfills the following City of Rialto General Plan Goals and Policies:

Guiding Principle: Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

Goal 3-3: Attract, expand, and retain commercial and industrial businesses to reduce blighted conditions and encourage job growth.

LEGAL REVIEW

The City Attorney has reviewed and helped to prepare this staff report.

FINANCIAL IMPACT

There is no fiscal impact associated with this action.

RECOMMENDATION

Staff recommends that the City Council adopt A Resolution (**Exhibit A**), declaring City property located at the Southwest Corner of Alder Avenue and Casmalia Street as surplus land and direct the City Manager to comply with the requirements of California Government Code section 54220 *et seq.* for the sale of surplus land.