



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
October 3, 2023

TOPIC: Adopt a Resolution Declaring City-Owned Properties as Surplus Land and Exempt Surplus Land

AGENDA TITLE

Adopt a Resolution Declaring City-Owned Properties as Surplus Land and Exempt Surplus Land and Directing the City Manager or their designee to Comply with the Requirement of Government Code §54220 *et seq.* for the Sale and Activation of Surplus Land

RECOMMENDED ACTION

Adopt a resolution declaring City-owned property as surplus land and exempt surplus land and directing the City Manager or designee to comply with the requirements of Government Code §54220 *et seq.* for the sale and transfer of ownership accordingly.

Surplus Land:

APN	Address	Land Use	Remnant Area	Lot Configuration
011-134-06	901 E. Chestnut Ave.	R	5,977	Standard
099-224-39	5225 W. 1st St.	R1	5,738	Standard
099-224-38	5221 W. 1st St.	R1	5,744	Standard
008-225-23	217 S. Bristol St.	R2	3,447	Standard
008-225-24	219 S. Bristol St.	R2	5,616	Standard
008-231-25	223 S. Bristol St.	R2	4,556	Standard
004-121-12	1307 W. 10th St.	SP1	6,255	Standard
099-224-33	114 N. Euclid St.	C1	5,000	SubStandard

Exempt Surplus Land:

APN	Address	Land Use	Remnant Area	Lot Configuration
109-121-23	2201 W. La Verne Ave.	R	1,651	SubStandard
008-084-10	1102 W. 5th St.	R	2,711	SubStandard
405-121-06	801 N. English St.	R	3,976	SubStandard
109-092-61	1209 S Sullivan St.	R	3,226	SubStandard
002-131-57	2337 N. Riverside Dr.	R	2,150	SubStandard
403-121-30	1730 S. Grand Ave.	R	505	SubStandard
398-381-09	414 Santa Fe	R	1,731	SubStandard
013-053-33	1442 S. Baker St.	R	2,810	SubStandard
013-052-27	1441 S. Baker St.	R	336	SubStandard

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APN	Address	Land Use	Remnant Area	Lot Configuration
013-052-28	1442 S. Rosewood Ave.	R	409	SubStandard
013-123-25	1434 S. Towner St.	R	1,411	SubStandard
013-124-23	1435 S. Towner St.	R	1,587	SubStandard
013-121-25	1435 S. Lowell St.	R	1,257	SubStandard
013-124-24	1434 S. Lowell St.	R	1,444	SubStandard
144-303-22	3706 W. Camille St.	SP2	597	Unknown
398-236-01	621 Spurgeon	R	1,369	Substandard
410-071-44	3025 Ramona Dr.	R	4,025	SubStandard

GOVERNMENT CODE §84308 APPLIES: No

DISCUSSION

The City is the owner of substantial real property assets that were acquired for various roadway improvement projects and are remnant following capital enhancements. There are various portions of land that have remained vacant or landlocked, whose best use would be to adjoin to the adjacent property owner(s). Staff recommends that these remnant parcels be disposed of and developed to generate new property taxes to fund City services and operations (Exhibit 1).

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Additionally, the activation of these vacant lots will promote neighborhood improvements, while reducing City liability and the growing expenses of maintaining these lots on a monthly basis.

The Surplus Land Act (SLA) requires all local agencies to prioritize affordable housing, parks, and open space when disposing of surplus land. The legislation requires that before a local agency take any action to dispose of land, the land must be declared as either surplus land or exempt surplus land, and supported by written findings. Adoption of the resolution (Exhibit 2) would declare eligible City-owned vacant properties surplus land, and other parcels as except surplus land based on qualifying categories.

Surplus Land Designation

The procedures set forth in California Government Code Section 54220 *et seq.* must be followed any time City-owned land is disposed. The 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 are to be notified include the City of Santa Ana Housing Authority.
2. For open-space purposes, a written notice of availability of the surplus land shall be sent to the City of Santa Ana Parks and Recreation Agency, the County of Orange OC Parks, and the State Resources Agency or any agency that may succeed to its powers.
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 Santa Ana Unified School District.

If the City receives a letter of interest from any of the above entities, the City would enter into good faith negotiations concerning the price and terms of the sale with that entity for a 90 day period. If the 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.

If the end of the 90-day negotiation period does not result in successful negotiations, the Public Works Agency will proceed with disposition via the Request for Proposal (RFP) process, consistent with previous methodology approved and utilized for disposition of properties with restricted sale of proceeds, such as using grant funds for the acquisition of land. Purchase and Sale Agreements (PSA) for the sale of referenced properties would be brought to the City Council for consideration at a future date, following all necessary evaluation periods.

In addition to designating land surplus, Staff is also categorizing exempt surplus land for all eligible substandard parcels not fit for independent development per existing use.

Notice of Exemption Determination

The land proposed to be declared as exempt is supported by the small surplus land parcels category, in which the land is less than 5,000 square feet in area; less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located; and/or has no record access, is less than 10,000 square feet in area, and is not contiguous to land owned by a local agency that is used for open-space or low and moderate income housing purposes.

In alignment with Government Code 54221 subd. (f)(1)(b), Notice of Exemption determination shall be provided to the State's Department of Housing and Community Development at least 30 days prior to disposition. Once SLA requirements are met, Staff will present a new item for consideration of disposition via Santa Ana Municipal Code Section 2-706 Sale to Owners of Adjoining Property and Section 2-709 Exceptions to transfer ownership of substandard vacant land.

FISCAL IMPACT

Costs for maintaining vacant lots are escalating, with charges for installation, rental fees, damaged material replacement fees, and emergency fencing requests. Selling remnant land will help to generate necessary project funding that will support right-of-way maintenance and security citywide.

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EXHIBIT(S)

1. Location Maps
2. Resolution Declaring Various Properties Surplus Land

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Kristine Ridge, City Manager