

City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: AUGUST 4, 2020**

FROM: COMMUNITY & ECONOMIC DEVELOPMENT **WARD: 6**
DEPARTMENT

SUBJECT: DECLARE AS SURPLUS TWO CITY-OWNED PROPERTIES LOCATED AT 4760 TYLER STREET, BEARING ASSESSOR PARCEL NUMBER 147-251-019, AND 10302 WELLS AVENUE, BEARING ASSESSOR PARCEL NUMBER 147-251-005, ACQUIRED FOR THE TYLER STREET WIDENING – HOLE TO WELLS AVENUES PROJECT

ISSUES:

Declare as surplus two properties located at 4760 Tyler Street, bearing Assessor Parcel Number 147-251-019, and 10302 Wells Avenue, bearing Assessor Parcel Number 147-251-005, acquired for the Tyler Street Widening – Hole to Wells Avenues Project.

RECOMMENDATIONS:

That the City Council:

1. Declare as surplus the property located at 4760 Tyler Street, a 16,500 square foot land site, bearing Assessor Parcel Number 147-251-019;
2. Declare as surplus the property located at 10302 Wells Avenue, a 6,462 square foot vacant land site, bearing Assessor Parcel Number 147-251-005; and
3. Authorize the marketing and sale of the properties located 4760 Tyler Street and 10302 Wells Avenue pursuant to Assembly Bill 1486 and in accordance with the City's Administrative Manual 08.003.00 for the Disposition and Sale of City-Owned Real Property.

BACKGROUND:

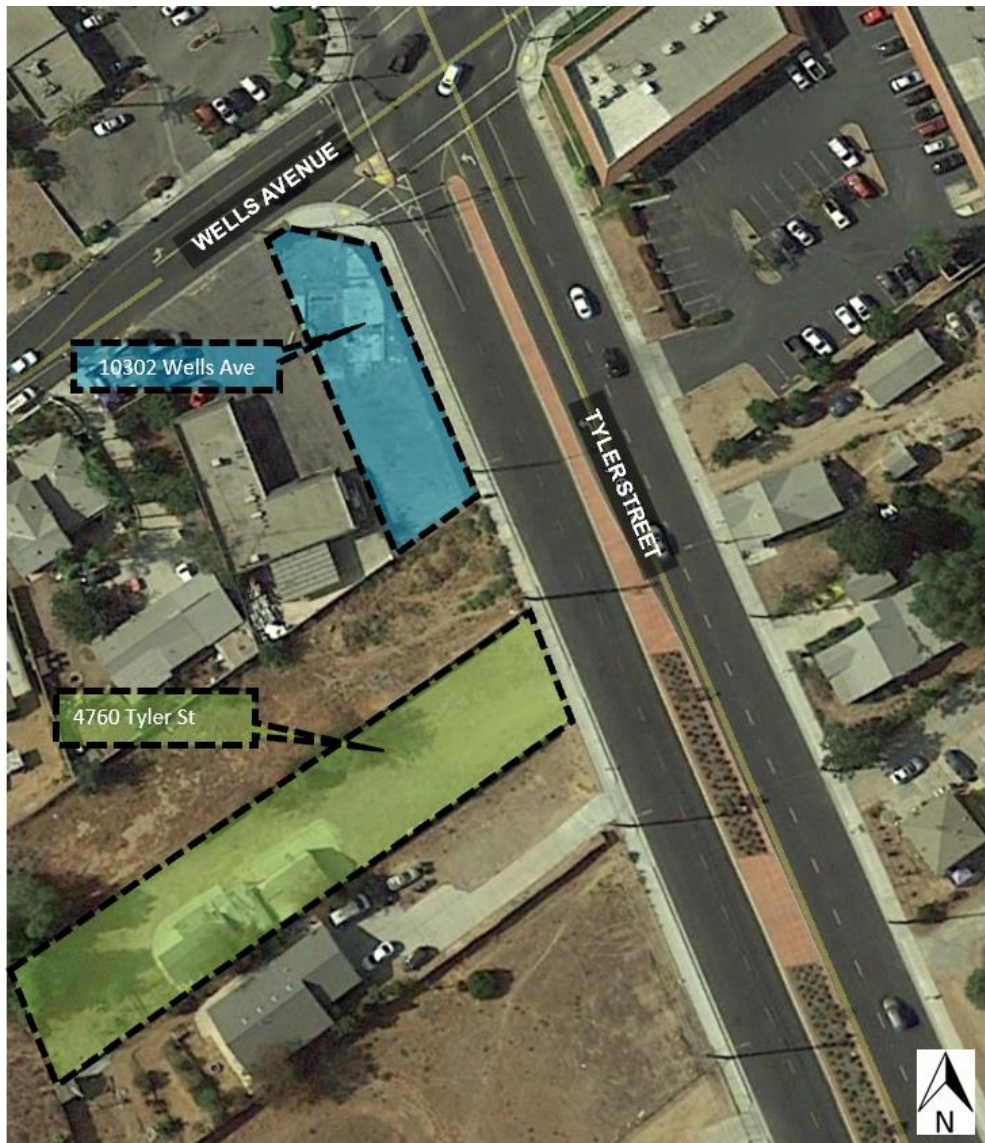
The Tyler Street Widening Project, Hole to Wells Avenues ("Project") widened approximately one mile of Tyler Street. The Project is now complete and the subject properties are no longer needed by the Public Works Department.

DISCUSSION:

The property at 4760 Tyler Street contained a single-family residence. The residence was demolished to accommodate the street widening and the remaining ancillary structures located at the rear of the property are anticipated to be demolished by the Public Works Department prior to the sale of the property. The property is zoned R-1-7000 and the General Plan designation is C, Commercial.

The property at 10302 Wells Avenue was a former gas station and automotive repair business known as Tyler Auto Service. Upon completion of the remediation of subsurface soil and ground water issues, the City was issued a “No Further Action” letter by the State of California Water Resource Control Board on April 15, 2019 for its Santa Ana Regional Water Quality Control Board Case ID #: T0606500398, Regional Board Case #: 083302543T. The property is zoned CR, Commercial Retail, and the General Plan designation is C, Commercial.

The Properties are shown on the map below:



The disposition process for the sale of surplus property has recently been changed with the passage of Assembly Bill 1486 (AB 1486) on October 9, 2019. Real Property Services initiated this disposition process with a notice to City departments asking if they can utilize the properties. No interest was received from the City departments for the 10302 Wells Avenue property. The Housing Authority expressed an interest in the 4760 Tyler Street property to facilitate an affordable housing development project with a write down of the land to \$1.00. The Public Works Department is seeking to sell this property subject to a current fair market value appraisal.

Once City Council declares a property as surplus and prior to disposing or participating in negotiations with prospective buyers, a written notice of availability must be sent to affordable housing developers who have registered with the State's Department of Housing and Community Development (HCD). Also, per California Government Code Section 54220, et seq., staff will notify other public agencies of the sale of the subject property for a 60-day period. However, the affordable housing developers will have the "first right of refusal" or priority consideration for all City-owned land that has been declared surplus. If there is no interest from a developer or public agency, staff will market the subject property to the general public to sell it at fair market value in accordance with the City's Administrative Manual 08.003.00, Disposition and Sale of City-Owned Real Property. If the property is developed with ten or more residential units, then 15% of the total project's units must be restricted to "affordable rent to lower income households" as required by AB 1486.

The Public Works Director concurs with the recommendations in this report.

FISCAL IMPACT:

There are sufficient funds available in Public Works Tyler Widening – Wells to Hole Avenues – Measure A account number 9594830-440302 for costs associated with the sale, which will be offset with the proceeds from the disposition of the properties. Since the properties were originally purchased with Measure A funds, it is required that all proceeds from the sale of the properties be deposited into Public Works Measure A – Sale of Land & buildings account number 0000432-380010.

Prepared by:	David Welch, Community & Economic Development Director
Certified as to	
availability of funds:	Edward Enriquez, Chief Financial Officer/Treasurer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachments:

1. 4760 Tyler Street Legal Description and Plat Map
2. 10300 Wells Avenue Legal Description and Plat Map