



City of Arts & Innovation

Successor Agency to the Redevelopment Agency of the City of Riverside Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: AUGUST 17, 2021

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARD: 1
DEPARTMENT

SUBJECT: SURPLUS DECLARATION OF APPROXIMATELY 0.36 ACRES OF SUCCESSOR
AGENCY-OWNED VACANT LAND LOCATED AT 4271 AND 4293 MARKET
STREET AVENUE AS REQUIRED BY ASSEMBLY BILL 1486

ISSUE:

Adoption of a resolution to declare as surplus approximately 0.36 acres of Successor Agency-owned vacant land located at 4271 and 4293 Market Street, bearing Accessor's Parcel Numbers 215-261-006 and -007, as required by Assembly Bill 1486.

RECOMMENDATIONS:

That the Successor Agency:

1. Adopt the attached Resolution (Exhibit "A") declaring 4271 and 4293 Market Street as surplus property based on the findings contained in this report; and
2. Recommend that the Countywide Oversight Board adopt a separate resolution acknowledging 4271 and 4293 Market Street as surplus property based on the findings contained in this report.

BACKGROUND:

As California continues to face an affordable housing crisis, all unused publicly-owned land, according to the State, has the potential to promote affordable housing developments. Specifically, Assembly Bill 1486 ("AB 1486"), signed into law by Governor Newsom on October 9, 2019, clarifies and strengthens provisions of the Surplus Land Act to promote the use of publicly-owned land for affordable housing projects.

Enacted in 1968, the Surplus Land Act requires all local agencies to prioritize affordable housing, as well as parks and open space, when disposing of surplus land. Before local agencies may dispose of surplus land, they are required to give notice to local public entities and organizations involved in affordable housing development. If a preferred entity expresses interest, the parties must enter into good faith negotiations to determine a sales price or lease terms. In 2014, the Surplus Land Act was amended to better define a qualified proposal for affordable housing, prioritize proposals providing the most units at the deepest affordability, and provide more realistic timeframes to make offers and negotiate for the sale of land for affordable housing development.

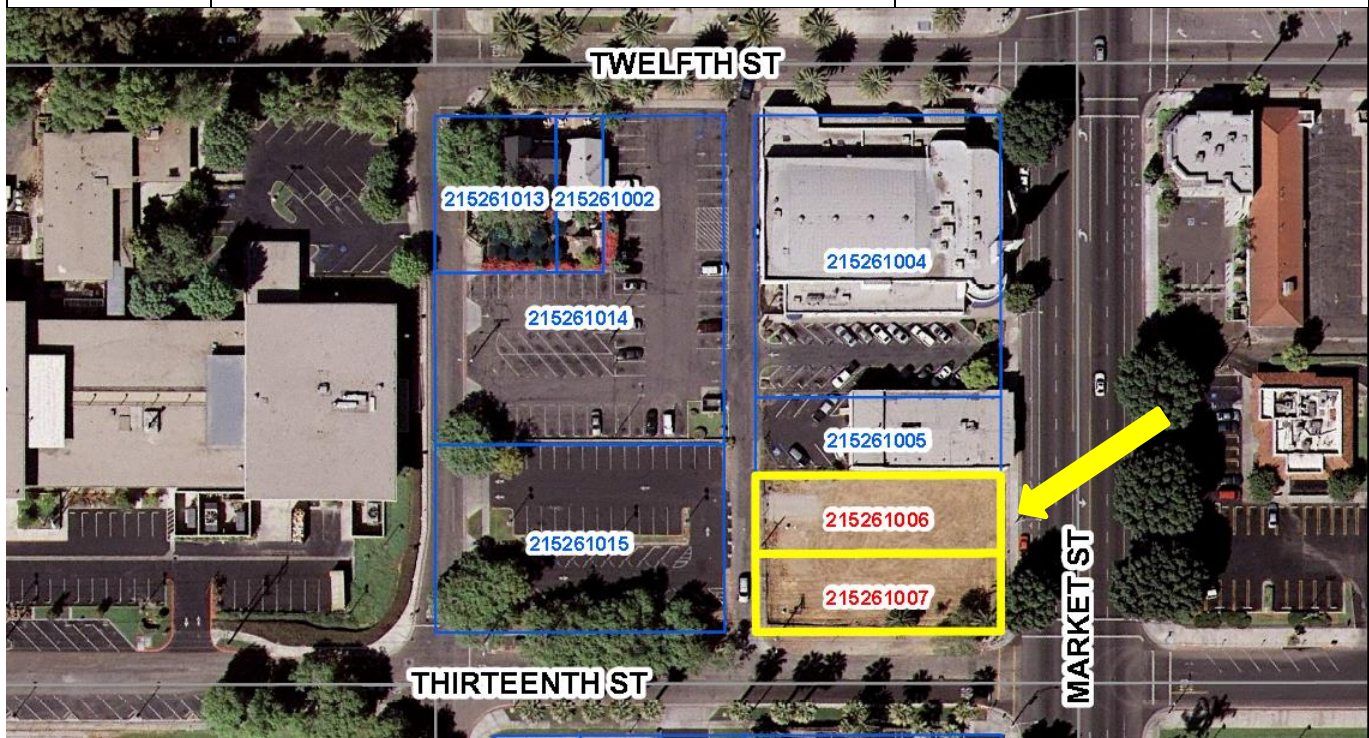
The adoption of AB 1486 has revised the procedural requirements for the disposition of local agency surplus property and has expanded the definition of “local agency” to include land owned by a successor agency to a former redevelopment agency (“Successor Agency”).

On April 27, 2021, the Successor Agency Board adopted a resolution declaring six Successor Agency-owned sites, with the exception of 4271 and 4293 Market Street (which was removed from the list by the Successor Agency Board for further discussion), as surplus and recommended that the Countywide Oversight Board adopt a similar resolution declaring these six remaining Successor Agency-owned sites as surplus, with the exception of 4271 and 4293 Market Street.

DISCUSSION:

As noted above, the Successor Agency has one (1) remaining property located at 4271 and 4293 Market Street (as shown on the map below in yellow), which needs to be declared as surplus. The 4271 and 4293 Market Street property is identified in detail in the Successor Agency’s Amended Long-Range Property Management Plan (LRPMP) that was approved by the Department of Finance on March 6, 2014.

LRPMP #	Address	Assessor Parcel No’s.
13	4271 and 4293 Market Street	215-261-006 and 007



The property is approximately 15,750 square feet of vacant land and is located within the Downtown Specific Plan – Justice Center District. Staff recommends that 4271 and 4293 Market, as noted above, be declared surplus now to allow for an uninterrupted process in the disposition of the subject site.

Prior to disposing or participating in negotiations for the subject property, a written notice of availability will be sent to affordable housing entities who have registered with the State’s Department of Housing and Community Development (HCD), as well as the other public agencies required under AB 1486.

Prior to agreeing to any terms for disposing of the subject property, the Successor Agency must provide HCD with a description of the notice of availability sent and any/all negotiations conducted with any responding entity. HCD shall have 30 days after receipt to submit written findings if it deems that the City is in violation of the surplus property statutes. Staff will return for both Successor Agency Board and Countywide Oversight Board approval for any proposed purchase and sale agreement for development of the subject site.

STRATEGIC PLAN ALIGNMENT:

This item contributes to the Envision Riverside 2025 City Council Strategic Priority 3 – Economic Opportunity and Goal 3.3 – Cultivate a business climate that welcomes innovation, entrepreneurship and investment because the disposition of the property will stimulate investment.

The item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The City is conducting business with transparency and good faith. AB 1486 establishes guidelines for the disposition of all Successor Agency property that serves the public interest, benefits the City’s diverse population, and results in greater public good.
2. **Equity** – The Policy as amended includes Assembly Bill 1486, which includes the notification of public agencies and affordable housing developers; this ensures the surplus property process is continuously fair and equitable as new processes are set in place.
3. **Fiscal Responsibility** – The Surplus Land Act ensures the responsible management and disposition of the City’s financial resources in a manner consistent with prudent stewardship of public funds while facilitating beneficial investment in the City of Riverside.
4. **Innovation** – Direction from the Successor Agency to move forward with the disposition of the subject property in accordance with the Surplus Land Act is consistent with the community’s changing needs and prepares for the future through adaptive processes.
5. **Sustainability & Resiliency** – The Surplus Land Act sets standards for the disposition of property that encourages equitable housing solutions to meet the needs of the future and ensure the City’s capacity to persevere, adapt and grow.

FISCAL IMPACT:

There is no immediate fiscal impact associated with this report.

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

Attachment: Resolution – Successor Agency