



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: SEPTEMBER 21, 2021**

**FROM: COMMUNITY & ECONOMIC DEVELOPMENT      WARD: 3**  
**DEPARTMENT**

**SUBJECT: ADOPTION OF A RESOLUTION TO DECLARE AS SURPLUS**  
**APPROXIMATELY 0.97 ACRES OF VACANT CITY-OWNED LAND, IN ITS**  
**AS-IS CONDITION, LOCATED AT 5722 JURUPA AVENUE, BEARING**  
**ASSESSOR'S PARCEL NUMBERS 190-035-003 AND 190-035-004,**  
**ACQUIRED FOR THE JURUPA UNDERPASS PROJECT**

## **ISSUE:**

Adopt a resolution to declare as surplus approximately 0.97 acres of vacant City-owned land, in its as-is condition, located at 5722 Jurupa Avenue, bearing Assessor's Parcel Numbers 190-035-003 and 190-035-004, acquired for the Jurupa Avenue Underpass project.

## **RECOMMENDATIONS:**

That the City Council:

1. Adopt a resolution to declare as surplus approximately 0.97 acres of vacant City-owned land, in its as-is condition, located at 5722 Jurupa Avenue, bearing the Assessor's Parcel Numbers 190-035-003 and 190-035-004 (Property), acquired for the Jurupa Avenue Underpass project; and
2. Authorize the marketing and sale of the Property pursuant to Assembly Bill 1486 and in accordance with the City's Administrative Manual Section 08.003.00 for the Disposition and Sale of City-Owned Real Property.

## **BACKGROUND:**

Enacted in 1968, the Surplus Land Act requires all local agencies to prioritize affordable housing when disposing of surplus land.

In 2006 the Jurupa Avenue Underpass project was initiated to reduce the congestion and inconvenience of the at-grade Union Pacific railroad crossing at Jurupa Avenue by reconstructing the existing four lanes and building a two-track railroad bridge. Staff was directed to acquire specific parcels in order to complete the Jurupa Avenue Underpass project.

On April 18, 2006, the City Council approved a Purchase and Sale Agreement for the acquisition of the real property located at Jurupa Avenue, Assessor Parcel Number 190-035-004.

On May 2, 2006, the City Council adopted a Resolution of Necessity, authorizing staff to acquire Assessor Parcel Number 190-035-003, among others, by right of eminent domain in accordance with California Government Code Sections 37350.0, 39792, and 40404.

On April 3, 2007, the City Council, in closed session, discussed the terms and purchase price for the acquisition of the parcels. The City acquired both parcels (the Property) on June 27, 2007, through recordation of a Final Order of Condemnation.

In 2014, the Surplus Land Act was amended to define better what constitutes a qualified proposal, prioritize proposals to encourage the most units at the deepest affordability, and provide more realistic timeframes to make and negotiate offers.

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. Staff has initiated the disposition process with a notice to City departments asking if they can utilize the Property. No interest was received from any City department for the Property.

## **DISCUSSION:**

The Property is currently vacant. It contains 0.97 acres or 42,100 square feet and is zoned Single Family Residential (R-1-7000) with a General Plan designation of Medium Density Residential.

The Property is shown in the aerial map below, outlined in yellow:



Once City Council declares any property as surplus, and prior to disposing or participating in negotiations with prospective buyers, per AB 1486, a written notice of availability must be sent to the 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 availability 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 an affordable housing developer or public agency, staff will market the subject property to the general public to sell at fair market value in accordance with the City's Administrative Manual 08.003.00, Disposition and Sale of City-Owned Real Property. However, 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.

Staff will offer the Property to the list of HCD affordable housing developers and other public agencies upon approval of the surplus declaration by City Council. If no interest is received within a 60-day period, and HCD has no comments, staff will proceed with marketing the Property to the general public.

### **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 City-owned property that serves the public interest, benefits the City's diverse population, and results in the greater public good.
2. **Equity** – The Surplus Land Act, as amended with AB 1486, provides for the notification to public agencies and affordable housing developers of the availability of surplus land, ensuring that as new processes are set in place, the surplus process is continuously fair and equitable.
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 Public Works Department to move forward with the disposition of the 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, as amended with AB 1486, 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.

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

### **FISCAL IMPACT:**

The fiscal impact is unknown at this time. All costs incurred for the marketing of the Property, including, but not limited to, appraisal and title reports which will be offset with the sales proceeds from the disposition of the property. Sufficient funds are budgeted and available in Gas Tax Fund, Miscellaneous Street Construction, Account Number 9507027-440223. Any remaining proceeds

from the sale will be deposited in Gas Tax Fund, Sale of Land and Buildings Revenue Account Number 0000230-380010, and the State Gas Tax & Measure "A," for any outstanding assessments used for the construction of the Jurupa Avenue Underpass.

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

Attachment: Resolution