



Legislation Details (With Text)

File #: 21-2614 **Version:** 1 **Name:**
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File created: 11/2/2023 **In control:** City Council Meeting
On agenda: 11/14/2023 **Final action:**
Title: Declaring Surplus Land - Property located at 8425 Cypress Avenue
Sponsors:
Indexes:
Code sections:
Attachments: 1. SLA Resolution 8425 Cypress Avenue, 2. Notice of Availability Surplus Land 8425 Cypress Ave

Date	Ver.	Action By	Action	Result
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FROM:
Development Services

SUBJECT:
Declaring Surplus Land - Property located at 8425 Cypress Avenue

RECOMMENDATION:

1. Approve Resolution No. 2023- 105, declaring that the City-owned property on Cypress Avenue, north of Arrow Boulevard (Assessor's Parcel Number 0191-121-40) is "Surplus Land" pursuant to the Surplus Land Act, Government Code Section 54220 Et Seq.; and approving the form of Notice of Availability.
2. Authorize the City Manager and/or his designee(s) to take all actions necessary or appropriate to comply with the Surplus Land Act.

COUNCIL GOALS:

- Practice sound fiscal management by living within our means while investing in the future.
- To preserve the local environment for generations to come and to create a healthy economic and environmental future by creating communities and neighborhoods that are attractive, safe, and convenient for walkers and bicyclists.

DISCUSSION:

The City of Fontana acquired this parcel in 2021. The building, formerly known as the Slovene Hall, had been abandoned and was rapidly falling into disrepair. Although acquired for potential redevelopment opportunities on the property, after acquisition, staff retained a consultant to review the condition of the building and prepare a restoration plan and budget for the potential restoration.

With a proposed budget for restoration of over \$4,000,000, staff recommended demolition of the building. The City Council approved the contract for demolition, which is scheduled to be completed before yearend, 2023.

The property, which includes a full acre, provides no direct benefit to the City in its current condition. However, staff believes it will provide a great opportunity for development by a private company and therefore, is recommending that the City declare the property surplus and encourage developers, including affordable housing developers, to submit proposals for the property's redevelopment.

By approving the attached Resolution, the City would declare this property as "surplus land," under the Surplus Land Act and Government Code section 54221, and this parcel is no longer necessary for the City's use.

In order for the City to dispose of this parcel, the City must first go through a public/stakeholder engagement process in accordance with state law and the Surplus Land Act. This process requires the City to transmit (mainly by email) a Notice of Availability - "NOA" (a form of which is attached to the Resolution) to designated entities under state law and allow for a 60-day period during which these entities, including potential affordable housing developers and public entities with jurisdiction over the parcels, may express their interest in negotiating on any of those parcels.

The Surplus Land Act requires this right of first refusal in an effort to mitigate the State's housing supply crisis. The City is also required to engage in "good-faith" property negotiations for at least 90-days on price and terms with any qualifying party that submits a qualified notice of interest. The City also has reporting and compliance obligations to the Department of Housing and Community Development, who can impose penalties based on the ultimate sales price of the parcel, if the Surplus Land Act is not followed prior to disposition.

This action and resolution begin the surplus land disposition process and allows staff to adequately vet any interest by the public, affordable housing developers, and/or other entities designated under the Surplus Land Act.

Upon conclusion of the public engagement process, the City may market the property to the general public.

Approval of the attached resolution will allow the City to commence the Surplus Land Act process, by issuing the NOA to those entities statutorily entitled to receive it. The disposition of these properties will contribute to the City's goals to encourage new development.

FISCAL IMPACT:

There is no fiscal impact associated with the approval of this item.

MOTION:

Approve staff recommendation