



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Caroline Patton, Administrative City Clerk
Doug Schulze, City Manager

MEETING DATE: September 10, 2024

SUBJECT: Consideration of Resolution 2024-145, Declaring Pursuant to Government Code Section 54221 That Real Property Owned by the City, Located at 646 West Ramsey Street, Banning, California (Consisting of APN 540-191-008) Is Designated As Surplus Land and Not Necessary for the City's Use at This Time, Finding That Such Declaration Is Exempt From Environmental Review Under the California Environmental Quality Act, and Taking Related Actions

RECOMMENDATION:

Adopt Resolution 2024-145

BACKGROUND:

The City of Banning ("City") is the owner in fee simple of that certain real property, located at 646 West Ramsey Street, Banning, California (consisting of APN 540-191-008) described in Exhibit "A" to the attached Resolution ("Property"). Under the Surplus Land Act, Government Code Sections 54220-54234 (the "Act"), as recently amended by AB 1486, surplus land is land owned in fee simple by the City for which the City Council takes formal action in a regular public meeting declaring the land is surplus and not necessary for the City's use. The Act provides that such land shall be declared either surplus land or exempt surplus land before the City may take action to dispose of it consistent with the City's policies or procedures.

Pursuant to the Act, surplus land is land owned in fee simple by the City for which the City Council takes formal action in a regular public meeting declaring the land is surplus and not necessary for the City's use. The land must be declared either surplus land or exempt surplus land. Under the Act, land is necessary for the City's use if the land is being used or is planned to be used pursuant to a written plan adopted by the City Council for City work or operations.

Government Code Section 54222 requires the City, if it declares land it owns to be surplus and not necessary for the City's use, to provide written notice thereof to certain local agencies and housing sponsors ("Designated Entities"), the form of such notification is included as Exhibit "B" to the attached Resolution ("Notification Process"). The Notification Process provides Designated Entities a 60-day opportunity to request to negotiate for the lease or sale of the Property consistent with parameters for such negotiations provided by the Act. If the City does not receive any notices of interest within the 60-day period or the notices of interest do not comply with the Act, the City may dispose of the Property without further regard to the requirements of the Act. If the City receives a notice of interest from one or more Designated Entities within the 60-day period, the City must enter good faith negotiations with the Designated Entity or entities in an attempt to agree to a mutually satisfactory sales price and terms or

lease terms. If the City does not agree on price and terms with any of the entities after a negotiation period of at least 90 days, the City may dispose of the surplus land without further regard to the Act.

Notwithstanding the forgoing, the California Department of Housing and Community Development (“HCD”) has oversight authority over negotiations with Designated Entities for the purpose of confirming that such negotiations, if any, were conducted within the parameters described in the Act.

In this case, the Property consists of a single (1) use category: i) APN 540-191-008 is undeveloped and is not otherwise being used by the City. Based on the real estate principle of “Highest and Best Use”, the City Council is considering the feasibility of leasing or selling all or a portion of the Property for private development purposes to increase employment opportunities and increase local tax-ratables.

City staff has evaluated the Property for its potential to be used for alternate City work or operations and has determined that the Property is not needed for such City uses at this time. Approval of the attached Resolution will confirm the City Council’s declaration that the Property is surplus and not necessary for the City’s use at this time and authorize the initiation of the Notification Process.

JUSTIFICATION:

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The attached Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) (“CEQA”). City staff has determined that the designation of this property as surplus does not have the potential for creating a significant effect on the environment and is therefore exempt from further review pursuant to State CEQA Guidelines Section 15060(c)(3), because it is not a project as defined by the CEQA Guidelines Section 15378. Adoption of the Resolution does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. If and when the property is sold to a purchaser and that purchaser proposes a use for the property that requires a discretionary permit and CEQA review, that future use and project will be analyzed at the appropriate time in accordance with CEQA.

FISCAL IMPACT:

It is anticipated that the Parcels will be sold for market value. In such case, the land sales proceeds will be retained by the General Fund. The land and any future improvements will be subject to the 1% general tax levy, which will generate additional General Fund revenues.

ALTERNATIVES:

Do not adopt Resolution 2024-145 and provide staff alternate direction.

BUDGETED?:

No

CONTRACT/AGREEMENT:

No

ATTACHMENTS:

1. [Resolution 2024-145, SLA 646 W Ramsey.docx](#)
2. [Map - Aerial.pdf](#)
3. [Tax Map.pdf](#)