



**CITY COUNCIL STAFF REPORT**

**ITEM NO. 4.2**

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**DATE:** September 27, 2021

**TO:** Honorable Mayor and City Council

**FROM:** Paul Spence, Community Development Director

**SUBJECT:** Resolutions declaring that a formerly vacated City right-of-way and remnant parcel are exempt from the Surplus Land Act and authorizing the City Manager to execute of a Purchase and Sale Agreement with Concentric Development Group, Inc.

**RECOMMENDED ACTION**

Staff recommends the City Council adopt two resolutions:

1. Declaring that a formerly vacated City right-of-way and remnant parcel are exempt from the Surplus Land Act pursuant to Government Code Section 54221; and
2. Authorizing the City Manager to execute a Purchase and Sale Agreement with Concentric Development Group, Inc. for the sale of formerly vacated City right-of-way and remnant parcel in the amount of \$45,300 and all related documents.

**DECISION TYPE**

**SUMMARY**

On October 24, 2016, the City Council approved Vesting Tentative Tract Maps 8173 and 8305 consisting of a 17 single family home residential development located at 2855 Old First Street as shown in the Vicinity Map (Attachment 1). As part of the conditions of approval, the City agreed to enter into a Purchase and Sale Agreement with Concentric Development Group Inc. (Developer) to sell a portion of formerly vacated City right-of-way and a City-owned remnant parcel on Old First Street (Exhibit D), that are no longer needed for public use. In order to complete the purchase, a determination that the formerly vacated right-of-way and remnant parcel are exempt from the Surplus Land Act pursuant to Government Code Section 542221 is required. If approved, the property would be purchased from the City for \$45,300 and incorporated into the new Brighton Phase III development project by Concentric Development Group, Inc.

The purchase and sale agreement is on file with the City Clerk and is provided as Exhibit A to the Resolution for the Purchase and Sale Agreement.

## **DISCUSSION**

On October 24, 2016, the City Council approved Vesting Tentative Tract Map 8173 and 8305, Brighton Phase III, a 17 lot single family home residential development located at 2855 Old First Street. As part of the the conditions of approval, the City agreed to enter into a Purchase and Sale Agreement for the sale of a portion of formerly vacated City right-of-way and City-owned remnant parcel (totaling 4,250 SF) to the Developer to use this land as part of a new residential subdivision. During the council meeting, it was also determined that both parcels were unnecessary for present or prospective use, and the City vacated the right-of-way. Council also determined that the project was exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines 15332, as an Infill Development Project.

Pursuant to the Surplus Land Act set forth in Government Code Section 54220 et. seq., local agencies are required to designate local public land as surplus land or exempt surplus land. Section 54221 defines "exempt surplus land" as "surplus land that is less than 5,000 square feet in area". Staff has determined that the formerly vacated Old First Street right-of-way and remnant parcel are exempt from the Surplus Land Act as both parcels are less than 5,000 SF (formerly vacated right of way is 2,988 SF and remnant parcel is 1,262 SF; parcels combined total is 4,250 SF). The City's remnant parcel cannot be developed or utilized for public purposes due to its size and location between the formerly vacated right-of-way, the railroad, and the Developer's property. On August 27, 2021, staff notified the California Department of Housing and Community Development ("HCD") that it determined the the ROW and Remnant Parcel were exempt from the Surplus Land Act and supported such determination with written findings. On September 13, 2021, HCD confirmed that the ROW and Remnant Parcel were exempt from the Surplus Land Act.

The Developer has proposed to purchase the formerly vacated Old First Street right-of-way and the remnant parcel to install a new sound wall between the railroad and Old First Street, add residential lots, and construct a landscaped bioswale area as part of this development. If the City does not sell the formerly vacated right-of-way and remnant parcel to the developer, the developer would be forced to eliminate approximately three residential lots from their design, and they would not be able to construct a uniform sound wall as required by the Conditions of Approval. The proposed sound wall will provide a noise barrier and added security for future residents. In addition, with the sale of these properties, the City would benefit from reduced maintenance costs to the City's streets and sidewalk repair programs. The developer will be responsible for the maintenance of the sound wall as part of a sound wall maintenance agreement.

The City owns the formerly vacated Old First Street right-of-way in fee title, and the price of the formerly vacated right-of-way and remnant parcel was estimated at the current market value based upon a City approved appraisal of the land, which includes a reservation for a public utility easement. The Developer has agreed to purchase the properties based on the approved appraisal for \$45,300. The Developer has also agreed to include Public Utility Easements over the utilities within the vacated right-of-way and remnant parcel as part of the Final Map process.

If approved by the Council, the City will execute the Purchase and Sale Agreement with Concentric Development Group, Inc. and the property will be included in the Brighton Phase III Subdivision Development Project.

## **FISCAL AND ADMINISTRATIVE IMPACTS**

The developer is responsible for all costs associated with the Purchase and Sale Agreement, no additional funding will be required. The proceeds will be deposited into the General Fund (Fund 001).

## **ATTACHMENTS**

1. Vicinity Map
2. Resolution
3. Exhibit A - Legal description of portion of ROW and City Parcel
4. Exhibit B - Plat accompanying the legal description
5. Exhibit C - Resolutions No 2016-140 and 2016-141
6. Exhibit D - Diagram showing contiguous location of Developer's Parcel adjacent to ROW & Remnant Parcel
7. Resolution
8. Exhibit A - Purchase and Sales Agreement

Prepared by: Farnoush Levers  
Assistant City Engineer

Approved by:



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Marianna A. Burch  
City Manager

Fiscal Review by:



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Tina Olson  
Administrative Services Director