



# Staff Report

## City Council

Item No. {{section.number}}.F

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**Meeting Date:** June 26, 2024

**From:** Anne Ambrose, Assistant City Manager

**Title:** Declaration of Surplus Land

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### **RECOMMENDATION:**

To adopt Resolution No. \_\_\_\_ declaring that certain 1.8-acre vacant land parcel located at the northwest corner of East Palm Canyon Drive and West Buddy Rogers Avenue, also identified by Assessor's Parcel Number 687-475-006, as surplus land and direct the City Manager's office to follow the procedures set forth in the Surplus Land Act, California Government Code Section 54220 et seq., as amended on January 1, 2020, for the sale of surplus land.

### **BACKGROUND:**

The former Redevelopment Agency (RDA) of the City of Cathedral City (City) was created in November 1981 and adopted its first redevelopment plan in 1982. During that time, the former RDA used tax increment financing to provide infrastructure improvements, finance public projects and support private investment. Furthermore, the former RDA made great efforts to acquire and clear a number of the parcels within the downtown. One of the parcels acquired and cleared was the 1.8 acres located at the northwest corner of East Palm Canyon Drive and West Buddy Rogers Avenue, also identified Drive (APN 687-475-006) (Asset).

Pursuant to the dissolution of redevelopment agencies per Assembly Bill ("AB") ABX1 26 (Chapter 5, Statutes of 2011) and ABX1 27 (Chapter 6, Statutes of 2011), and subsequent legislation, AB 1484 (Chapter 26, Statutes of 2012) (altogether, "Dissolution Act"), City adopted Resolution No. 2012-153 on January 11, 2011, electing to serve as Successor Agency to the RDA (hereafter the "Successor Agency").

In accordance with the Dissolution Act, the Successor Agency prepared a Long-Range Property Management Plan (the "LRPMP") to identify all the assets held by the Successor Agency and their disposition in accordance with the Dissolution Act.

The Property was identified as "Asset 19 – 68-600 thru 68-618 East Palm Canyon Drive" in the LRPMP and was designated as a property to be liquidated by the City pursuant to California Health and Safety Code Section 34191.5(c)(2)(A).

On April 10, 2013, the Successor Agency received a finding of completion for the LRPMP from the California Department of Finance.

### **DISCUSSION:**

Enacted in 1968 and amended in 2020, the Surplus Land Act requires all local agencies to prioritize affordable housing, as well as parks and open space, when disposing of surplus land ("Surplus Land Act" or "SLA"). 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 during the required sixty (60) day notice period, the parties must enter into good faith negotiations for a period of not less than ninety (90) days to determine a sales price or lease terms. In the event no affordable housing entity expresses interest, or if an interested entity and the City are unable to agree on price and terms, the City may then proceed to sell or retain the property.

Standard noticing provisions of the Surplus Land Act require a 60 days' written notice of availability (NOA) of the availability of the Property. The NOA must be provided to the following entities:

- Any local public entity, as defined in Section 50079 of the Health and Safety Code, within whose jurisdiction the surplus land is located.
- Housing sponsors, as defined by Section 50074 of the Health and Safety Code, that have notified the Department of Housing and Community Development of their interest in surplus land shall be sent a notice of availability of surplus land for the purpose of developing low- and moderate-income housing.

A valid NOA requires the City Council hearing and voting to approve the declaration of the Property as surplus land prior to issuing the NOA.

The City is also required to notify the following entities:

- To any park or recreation department of the county within which the land is situated.
- To any regional park authority having jurisdiction within the area in which the land is situated.
- To the State Resources Agency or any agency that may succeed to its powers.
- A written notice of availability of land suitable for school facilities construction or use by a school district for open-space purposes shall be sent to any school district in whose jurisdiction the land is located.

To comply with the LRPMP and California Government Code section 54220, the City is seeking to declare the Property as surplus land. The City Manager's Office will initiate the process by obtaining an appraisal of the property concurrent with the issuing the NOA. If no interest notices are received during the 60-day period, the City Manager's Office may elect to prepare a RFQ followed by an RFP to ensure the highest and best use of the site is achieved.

### **FISCAL IMPACT:**

There is no financial impact associated with a declaration of surplus land.

### **FIVE-YEAR STRATEGIC PLAN:**

## Goal C: Fiscal Stability and Sustainability

Action-15 Develop (and implement) an economic development strategic plan. This action is consistent with the economic development strategic plan's focus to increase the development intensity of Downtown.

### **ATTACHMENTS:**

1. Resolution - Declaration of Surplus Land
2. Festival Lawn Property Outline
3. 2014 Long Range Property Management Plan - Civic Center