

Capitola City Council

Agenda Report



Meeting: April 25, 2024

From: Community Development Department

Subject: Surplus Land Declaration

Recommended Action: Adopt a resolution declaring a portion of Monterey Park, comprising approximately 4,284 square feet, to be exchanged for a portion of New Brighton Middle School, comprising approximately 5,592 square feet, by and between the City of Capitola and the Soquel Union Elementary School District, as exempt surplus land pursuant to California Government Code §§ 54221 (f)(1)(C) and 54221 (f)(1)(D)¹.

Environmental Determination: Categorically exempt pursuant to State CEQA Guideline §15312.

Background: The Soquel Union Elementary School District ("District") owns 4.9 acres of property located at 700 Monterey Avenue which is home to New Brighton Middle School ("District Parcel"). The City of Capitola ("City") is the owner of 3.9 acres of property known as Monterey Park, located adjacent to the District Parcel on Monterey Avenue ("City Parcel"). The District Parcel and City Parcel are more particularly identified on the assessor parcel map attached to this report as Attachment 1.

The District and the City have been discussing the exchange of a portion of the District Parcel, consisting of approximately 5,592 square feet, as more particularly identified as the two (2) sections highlighted in orange in the Aerial View Map attached to this report as Attachment 2 ("District Exchange Parcel"), for an approximately 4,284 square foot portion of the City Parcel, as more particularly identified as the section highlighted in blue in Attachment 2 ("City Exchange Parcel"). A future agreement governing the exchange of these portions of real property will require the approval of the City Council of the City of Capitola and the School Board of the Soquel Union Elementary School District which will be presented to the City Council at a later meeting.

The District has undertaken master planning of its educational facilities and enclosed as Attachment 3 to this report is the most recent plan for New Brighton Middle School. However, the contemplated exchange of the City Exchange Parcel and District Exchange Parcel as depicted in Attachment 2 would significantly improve the layout of the recreational facilities. Thus, the City Exchange Parcel to be disposed of by the City and acquired by the District would be used and developed by the District to enhance the recreational facilities at the New Brighton Middle School as part of a larger redevelopment of the District Parcel as depicted on Attachment 2.

As depicted on Attachment 2, the District Exchange Parcel to be acquired by the City is made up of 2 separate areas, Area A and Area C. The larger of the 2 areas, Area C, can be used and developed by the City to enhance the recreational facilities at Monterey Park, whereas the long and narrow area, Area A, will serve to ensure and enhance pedestrian access to the Park from the Cliffwood Heights neighborhood.

California Government Code § 65402(a) provides that if a general plan has been adopted, no real property shall be acquired or disposed of by the City until the location, purpose, and extent of such disposal has been submitted to and reported upon by the planning agency as to the conformity the adopted general plan. On April 4, 2024, the City of Capitola Planning Commission considered the

¹ 54221. As used in this article, the following definitions shall apply:

(f) (1) Except as provided in paragraph (2), "exempt surplus land" means any of the following:

(C) Surplus land that a local agency is exchanging for another property necessary for the agency's use. "Property" may include easements necessary for the agency's use.

(D) Surplus land that a local agency is transferring to another local, state, or federal agency, or to a third-party intermediary for future dedication for the receiving agency's use, or to a federally recognized California Indian tribe.

proposed disposal of the City Exchange Parcel and acquisition of the District Exchange Parcel by the City of Capitola and determined that said actions were consistent with and conform with the Capitola General Plan.

During the meeting, the Planning Commission recommended the fence for the extended pathway between Orchid Avenue and Monterey Park be composed of material like chainlink or similar to ensure visibility and safety. The staff report and supporting documentation presented to and considered by the Planning Commission can be found at:

<https://meetings.municode.com/adaHtmlDocument/index?cc=CAPITOLACA&me=7a1699cfde7f4d0f8d2bce5df22a5e22&ip=True>.

Discussion: The Surplus Land Act, California Government Code §§54220 *et. seq.*, establishes procedures for the disposition of “surplus land” owned by a “local agency” which generally requires said “surplus land” to be made available for affordable housing purposes, park and recreation purposes or open-space purposes before disposition. However, as provided by Section 54222.3, these procedures do not apply to the disposal of “exempt surplus land” as defined in Section 54221 (f)(1)(A) through 54221 (f)(1)(S).

With respect to the District’s proposed disposition of the District Exchange Parcel, on February 7, 2024, the District adopted Resolution No. 6-2023-24, determining the District Exchange Parcel to be “exempt surplus land” pursuant to Section 54221 (f)(1)(C) because the property (i.e. the District Exchange Parcel) is being exchanged for another property (i.e. the City Exchange Parcel) necessary for the District’s use.

With respect to the City’s proposed disposition of the City Exchange Parcel, it too is “exempt surplus land” pursuant to Section 54221 (f)(1)(C) because the property (i.e. the City Exchange Parcel) is being exchanged for another property (i.e. the District Exchange Parcel) necessary for the City’s use. In addition, it also qualifies as “exempt surplus land” pursuant to Section 54221 (f)(1)(D) because the property (i.e. the City Exchange Parcel) is being transferred to another local agency.

CEQA: The adoption of the attached Resolution is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to the Class 12 exemption set forth in State CEQA Guideline §15312. While the action before the City Council does not involve the approval of the agreement governing the proposed exchange of property, the finding regarding exemption from the Surplus Land Act nevertheless relates to the City’s proposed acquisition of the District Exchange Parcel and disposition of the City Exchange Parcel.

The Class 12 exemption from CEQA set forth in State CEQA Guideline §15312 exempts the sale of surplus government property. While the District Exchange Parcel and City Exchange Parcel are defined as “exempt surplus land” for purposes of the Surplus Land Act, both parcels are nevertheless surplus government property for purposes of State CEQA Guideline §15312. However, §15312 goes on to provide that there is an *exception to the exemption* with respect to parcels located within an area of statewide, regional or areawide concern per Section 15206(b)(4), including parcels within the California Coastal Zone defined in and mapped pursuant to Public Resources Code §30103. The City Exchange Parcel and District Exchange Parcel are both located within the mapped California Coastal Zone applicable to Capitola (See Attachment 4).

Nevertheless, the exemption from CEQA is still applicable if (i) the property does not have significant value for wildlife habitat or other environmental purposes and (ii) the property is of such size, shape or inaccessibility that it is incapable of independent development, or the property sold would qualify for other categorical exemptions, or the use of the property and adjacent property has not changed since the time of purchase by the public agency.

In this instance, neither the City Exchange Parcel nor District Exchange Parcel have significant value for wildlife habitat or other environmental purposes, as one parcel is currently a portion of an urban city park and the other a portion of an operational school sports field. In addition, given the size and shape of the parcels, as well as their inaccessibility due to their interior location within larger parcels, the parcels are incapable of independent development. Accordingly, the Class 12 exemption set forth in State CEQA Guideline §15312 applies to the adoption of the enclosed Resolution.

Recommendation: Staff recommends that the City Council adopt the attached Resolution which includes the following findings:

1. The adoption of the Resolution, which relates to the City's determination that the City Exchange Parcel is "exempt surplus land" pursuant to California Government Code §§ 54221 (f)(1)(C) and 54221 (f)(1)(D), is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines §15312; and
2. The City Exchange Parcel to be disposed of by the City and acquired by the District is "exempt surplus land" pursuant to California Government Code §§ 54221 (f)(1)(C) and 54221 (f)(1)(D).

Public Noticing: The meeting agenda, City Council staff report, resolution, and attachments were posted on the City website.

Fiscal Impact: There is no fiscal impact associated with the recommended action.

Attachments:

1. Assessor Parcel Map
2. Map of City Exchange Parcel (blue) and District Exchange Parcels (orange)
3. New Brighton Middle School Master Plan
4. Capitola Coastal Zone Map
5. Resolution and Exhibit A to Resolution

Report Prepared By: Katie Herlihy, Community Development Director

Reviewed By: Julia Gautho, City Clerk; Michael Biddle, Assistant City Attorney

Approved By: Jamie Goldstein, City Manager