



**STAFF REPORT
2/24/2021**

TO: Honorable Mayor and City Council Members

FROM: Luis Lopez, Development Services Director

SUBJECT: Declaration of the City of Coachella exempt and non-exempt surplus land, pursuant to Government Code § 54221(b); and inventory report of the same, pursuant to Government Code § 54230(a)(1)

STAFF RECOMMENDATION:

Staff recommends that the City Council adopt the attached Resolution No. 2020-14 declaring that the Surplus Properties are non-exempt surplus land, as defined in Government Code § 54221(b); and receive the filing of the Inventory List establishing the City's inventory of surplus land, pursuant to and in compliance with Government Code § 54230(a)(1).

BACKGROUND:

The 2019 California Legislative Session ended on October 13, 2019 with over 30 new bills in response to the State's worsening housing crisis. Governor Newsom signed several of those bills designed to increase affordable housing production by easing development regulations and compelling jurisdictions to make fee and land information readily available to potential developers. Among those bills were AB 1486 (Ting) and AB 1255 (Rivas), which expanded the Surplus Land Act's definition of "local agency" to include cities, added new reporting requirements, and will subject agencies to penalties for noncompliance beginning January 1, 2021.

Effective as of January 1, 2020, the Surplus Land Act (Government Code § 54220 et seq.), as newly amended (the "Act"), requires, among other things, that on or before December 31 of each year, each county and city in the state must "make a central inventory of all surplus land ... within the jurisdiction of the county or city that the county or city or any of its departments, agencies, or authorities owns or controls" (the "Inventory List"), and immediately thereafter make the Inventory List available, without charge, to those who request it. The purpose of this report and the Inventory List, neither of which requires approval by the City Council per se, is to comply with the Act, and also to serve as a basis for the eventual report that the City must submit to the California Department of Housing and Community Development ("HCD") by April 1, 2021, pursuant to Government Code § 54230(a)(2).

While the Inventory List itself requires no formal action by the City Council, because the properties identified on the Inventory List must be declared "surplus land" or "exempt surplus land," "as supported by written findings," by the City Council.

DISCUSSION/ANALYSIS:

As noted above, the Act requires that “[o]n or before December 31 of each year, each county and each city shall make a central inventory of all surplus land, as defined in subdivision (b) of Section 54221, and all lands in excess of its foreseeable needs, if any, identified pursuant to Section 50569, located in all urbanized areas and urban clusters, as designated by the United States Census Bureau, within the jurisdiction of the county or city that the county or city or any of its departments, agencies, or authorities owns or controls.” Government Code § 54230(a)(1).

“Surplus land” is defined as “land owned in fee simple by any local agency for which the local agency’s governing body takes formal action in a regular public meeting declaring that the land is surplus and is not necessary for the agency’s use.” Government Code § 54221(b)(1); see also § 54221(a)(1) (defining “local agency” to include cities). Surplus land includes former redevelopment agency land identified in a successor agency’s Long-Term Property Management Plan, but does not include land to be disposed of to a specific entity identified in such a plan. See Government Code § 54221(b)(2).

To be “necessary for [an] agency’s use,” land must be “used, … planned to be used pursuant to a written plan adopted by the local agency’s governing board for, or … disposed [of] to support … agency work or operations, including, but not limited to, utility sites, watershed property, land being used for conservation purposes, land for demonstration, exhibition, or educational purposes related to greenhouse gas emissions, and buffer sites near sensitive governmental uses, including, but not limited to, waste water treatment plants.” Government Code § 54221(c)(1).

“Agency’s use” does not include “commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development.” Government Code § 54221(c)(2)(A). In addition, “[p]roperty disposed of for the sole purpose of investment or generation of revenue shall not be considered necessary for the agency’s use.” Id.

Nothing in the Act establishes what information must be included in the Inventory List. However, Government Code § 54230(a)(2) provides guidance. Under that section, “each county and each city” must report to HCD, “a description of each parcel described in [such county or city’s Inventory List] and the present use of the parcel … [by] no later than April 1 of each year, beginning April 1, 2021, in a form prescribed by [HCD], as part of its annual progress report submitted pursuant to paragraph (2) of subdivision (a) of Section 65400.” Govt. C. § 54230(a)(2)(A). While no such form has yet been issued by HCD, it will, at a minimum, contain blanks for the following information for each parcel of surplus land:

- (i) Street address or similar location information;
- (ii) Assessor’s parcel number;
- (iii) Existing use;
- (iv) Whether the site is surplus land or exempt surplus land¹; and
- (v) Size in acres.

¹ See Government Code §54221(f) (listing 11 exemptions from the Act).

See Govt. C. § 54230(a)(2)(B). Therefore, at a minimum, the Central Inventory should contain these pieces of information if for no other reason than efficiency and ease of incorporation into the report due to HCD next spring.

INVENTORY LIST:

Location / Name	APN	Existing Use	Non-Exempt/ Exempt	Size (in acres)
SE Corner of Ave. 50 and Calhoun Street / La Colonia II	767-720-001 through -019, 767-721-001 through -036, 767-721-039 through -045, 767-722-001 through -016, 767-730-001 to -014, 767-730-016 through -050, 767-731-001 through -007, 767-731-008 through -022, 778-420-004	155 Vacant Lots with unimproved streets	Non-Exempt	37.3 Acres
SE Corner of Sunset Dr. and Ave. 52	778-420-004	Public Street and Drainage Basin, Vacant remainder portion	3.4 Acres Street and Drainage Basin (exempt), 1.5 Acres (non-exempt)	5 Acres
West Side of Industrial Way, south of Ave. 52	763-400-016, 763-400-017	Vacant	Non - Exempt	
SW Corner of Ave. 52 & Whitewater Channel	763-131-018	Vacant	Non - Exempt	5.16 Acres
1609 4 th St.	778-042-009, 778-042-010	Vacant	Non – Exempt	.35 Acres
1308 6 th St.	778-093-005, 778-110-001	Vacant	Non-Exempt	0.28 Acres
51-877 Hernandez St.	763-412-030	Vacant	Non-Exempt	.15 Acres
SE Corner of Douma St. and Damascus Ave.	768-222-004	Vacant	Non-Exempt	.18 Acres

FINDINGS:

Each of the eight (8) parcels or groupings of parcels (“properties”) identified above and depicted pictorially in the attachments hereto and incorporated herein by reference (the “Surplus Properties”) are not necessary for the City’s use, are currently not being put to any use by the City, and the City has no planned use and for which the City has not adopted a written plan by the City Council for its intended use of any of the Surplus Properties. Therefore, they are surplus land, as defined in Government Code §§ 54221(b).

While all of the Surplus Properties are not: (a) less than 5,000 square feet in area and (b) “not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purpose,” thus potentially rendering them exempt surplus land under Government Code § 54221(f)(1)(B), none of them are the subject of sale to an owner of contiguous land; in fact, none of them are the subject of sale to anyone. According to the statute, unless a parcel of potentially exempt surplus land is being sold to an owner of contiguous land, “it is not considered exempt surplus land and is subject to this article.” *Id.* Therefore, unless and until these Surplus Properties are sold or contemplated to be sold to owners of contiguous land, they are not exempt from the Act.

FISCAL IMPACT: There is no fiscal impact associated with (i) declaring by resolution the Surplus Properties to be non-exempt surplus land, as defined in Government Code § 54221(b); and (ii) filing and receipt of the Inventory List. There is a nominal cost of City staff time in making the Inventory List available free of charge to those who request a copy of it.

ENVIRONMENTAL ISSUES: The actions contemplated by this report do not constitute a project within the meaning of Section 15378 of the State of California Environmental Quality Act (“CEQA”) Guidelines, because they have no potential for resulting in physical change in the environment, directly or indirectly. The actions do not authorize any specific development or installation on any specific piece of property within the City’s boundaries. Moreover, when and if an application for development is submitted, the City will at that time conduct preliminary review of the application in accordance with CEQA. Alternatively, even if the above-described actions are a “project” within the meaning of State CEQA Guidelines section 15378, such actions would be exempt from CEQA review under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. (State CEQA Guidelines, Section 15061(b)(3)).

Attachment: Resolution No. 2020-14 with Map Exhibits