



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 04/21/2020

ITEM NO: 13

DATE: April 13, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt a Resolution approving the Sale and Purchase Agreement for the sale of Town-owned property located on 14850 Winchester Boulevard, APN 424-31-055, authorizing the Town Manager to execute all documents needed to complete the transaction in a form acceptable to the Town Attorney, and authorize a revenue budget adjustment in the amount of \$1,200,000 to recognize the sale revenue.

RECOMMENDATION:

Adopt a Resolution (Attachment 1) approving the Sale and Purchase Agreement for the sale of Town-owned property located on 14850 Winchester Boulevard, APN 424-31-055, authorizing the Town Manager to execute all documents needed to complete the transaction in a form acceptable to the Town Attorney, and authorize a revenue budget adjustment in the amount of \$1,200,000 to recognize the sale revenue.

BACKGROUND:

The property on Winchester Boulevard at the corner of Lark Avenue has been owned by the Town for many years, with Town records going back to the 1950's and 1960's. The parcel is currently separated into two lots (14800 and 14850) with one lot occupied by County Fire (14850) since 1981 in a long-term lease that expires in the year 2036.

Prior to offering a property for sale publicly, the California Government Code §54222 requires Government agencies to offer properties for potential sale to specific entities, including:

- Housing providers for low or moderate income housing.
- Parks, recreation, and open space providers.
- School districts.
- Infill or transit village interests – not applicable in Los Gatos

PREPARED BY: Arn Andrews
Assistant Town Manager

Reviewed by: Town Manager, Town Attorney, and Finance Director

BACKGROUND (continued):

- Enterprise zone interests – not applicable in Los Gatos

In March Of 2016, pursuant to Government Code section 37421 and Resolution 2016-010 (Attachment 2), the Town notified the citizens of its intention to sell the Town-owned property referenced above. At the March 6, 2016 Council Meeting, having received no protests to the sale of the property, the Council deemed the property surplus and authorized staff to proceed with procuring a buyer for the property.

In May of 2019, the Town completed the sale of 14800 Winchester Boulevard to the Santa Clara County Fire District ("County Fire") for \$1.9 million. At the time, the Town and County Fire also discussed the future potential sale of 14850 Winchester Boulevard.

DISCUSSION:

On October 24, 2019, Town Manager Prevetti received a statement of interest from Fire Chief Bowden to initiate discussions for the sale of 14850 Winchester Boulevard to County Fire. The communication from Chief Bowden included a draft description of the type of facility and equipment County Fire would like to construct and house on the conjoined property (Attachment 3). As detailed in the draft facility description document, County Fire is seeking to build a state-of-the-art facility on the conjoined property with an approximate construction value of between \$12.0 and \$15.0 million. In addition to the essential fire services programmed out of the updated facility, County Fire would have the ability to house critical wildfire specific emergency vehicles at the site.

With the consummation of this transaction, the Town will have secured a state-of-the-art facility to serve the future growth of the community and help ward against the annual threat the wildfire season poses.

CONCLUSION:

Staff recommends that Council adopt a Resolution (Attachment 1) approving the Sale and Purchase Agreement for the sale of Town-owned property located on 14850 Winchester Boulevard, APN 424-31-055.

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SUBJECT: Sale and Purchase Agreement for 14850 Winchester Boulevard

DATE: April 13, 2020

COORDINATION:

This staff report was coordinated with the Town Manager, Town Attorney, and Director of Finance.

FISCAL IMPACT:

The Sale and Purchase Agreement that is attached to the Resolution would result in a one-time surplus of funds in the approximate amount of \$1,200,000 from the sale of this property.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Draft Resolution with Exhibit A, Draft Purchase and Sale Agreement
2. Resolution 2016-010 declaring Winchester Surplus Property
3. Draft Winchester Station Vision