

### **Exempt Surplus Land Declaration – 6845 Atlantic Avenue** City Council Meeting – August 2, 2022



## **Surplus Land Act**

#### **Government Code Section 54220 et seq.**

- **<u>Purpose</u>**: Intended to prioritize reuse of surplus land for affordable housing, parks, and schools.
- **<u>Application</u>**: All public land declared surplus.
- Notable Assembly Bill (AB) 2135 Amendments (effective January 1, 2020):
  - ✓ Expands definition of a local agency to include agencies not previously subject to the SLA.
  - $\checkmark$  Clarifies disposition to include leasing and not just sales.
  - ✓ Clarifies local agency use does not include commercial or industrial uses, including nongovernmental retail, entertainment, or office development.
  - ✓ No longer allows exceptions but expands exemptions available (i.e., size, affordability).
  - ✓ Requires City Council action to declare a property "surplus" or "exempt surplus" prior to disposition.
  - Requires written notice of availability to State of California Department of Housing and Community Development as well as housing sponsors.
  - ✓ Requires local agency to submit process to HCD for compliance verification, does include a 60-day cure period if noticed of violation.

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✓ Imposes penalties if property disposition found in violation of SLA.

### 6845 Atlantic Avenue

#### **Property History**

- Location: 6845 Atlantic Avenue.
- **Ownership:** City purchased in 2019 and utilized rear portion of the property as the Atlantic Bridge Community Shelter.
- **Proposed Development Concept:** City approached by adjacent property for the development of a large affordable housing/homeless services campus, including the continued operation of the ABC Shelter.
- <u>Surplus Land Act Compliance</u>: Prior to approving an Exclusive Negotiating Agreement and entering into negotiations, City must comply with Surplus Land Act.



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### **Surplus Land Act Exemption**

 Government Code Section 54221(f)(1)(A) allows the property to be declared "exempt surplus" if the project meets certain requirements:



Not less than 80 percent of building area will be used for housing.



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No less than 40 percent of total number of housing units will be affordable to lower income households and half of said 40 percent must be affordable to very lowincome. Current building area is 97,282 sf; proposed residential will need to be at least 82,195 sf

Total units have yet to be determine but a minimum of 40 percent of the total units will be available to lower income household and at least 20 percent to very low-income households.

Recorded regulatory agreement providing for above stated minimum standard run with the land for 55 years.



A regulatory agreement will be recorded.





Adopt Resolution declaring 6845 Atlantic Avenue "Exempt Surplus" Property. Submit Resolution to HCD for compliance verification. Bring Exclusive Negotiating Agreement to City Council for consideration. Commence negotiations and evaluation of potential development.



#### **Recommend the City Council:**

 Adopt a Resolution declaring City-owned property located at 6845 Atlantic Avenue (APN 7116-019-907) as "exempt surplus land" as defined in Government Code Section 54221(f)(1)(A); and authorize the City Manager, or designee, to take any actions and execute any documents necessary to ensure compliance with the Surplus Land Act and State regulations relating thereto.





# Thank you.

