

STAFF REPORT

TO: HONORABLE MAYOR/CHAIR AND CITY COUNCIL/BOARD MEMBERS
FROM: ROBERT PERRAULT, CITY MANAGER / EXECUTIVE DIRECTOR
**SUBJECT: CONSIDERATION OF ADOPTION OF RESOLUTION OF INTENT TO SELL
CITY PROPERTY LOCATED ON 920 BRIGHTON AVENUE**

BACKGROUND

The City Council and Improvement Agency Board have approved and staff has instituted an affordable housing program, which permits the Agency's funds to be used for purchase of available properties. The properties are then provided as an incentive to developers for construction of housing projects that are at 100% low- or very-low income level. The City owns a parcel of land located at 920 Brighton Avenue, which can be well utilized for construction of an additional affordable housing project in the City. In order for that to take place, the City would need to sell the parcel to the Grover Beach Improvement Agency, with a restriction that it is only used to assist in construction of a 100% affordable housing project.

The sale of City-owned property is a two-step process. During this initial step, the Council / Agency Board will conduct the first of two scheduled public hearings to entertain any comments regarding the proposed sale of property. Following the completion of the public hearing, the Council/Improvement Agency will be asked to adopt a resolution of intent to sell the property located at 920 Brighton Avenue and setting the matter for a second and final public hearing.

DISCUSSION

On April 4, 2011, the Council completed a review of the City's property inventory and determined the parcel located on Brighton Avenue might be a good candidate for an affordable housing project. The parcel consists of approximately 6,620 sq. ft. and is located on the south side of Brighton Avenue between North 9th and 10th Streets. The proximity of the parcel to the Ramona Garden Park would work well with an affordable housing project. This parcel is level and rectangular in shape. The current General Plan designates the property as Parks and Recreation and the zoning is Public Facility. At the present time, there is no specific project planned for the site. Residential use would require a General Plan Amendment, zone change, and a possible amendment to the Ramona Specific Plan. All of these actions will take place after the sale of property has been completed and during the development review process.

As noted, the current use is as a community garden. All of the current plot holders have been made aware of the potential sale.

APPROVED FOR FORWARDING



**ROBERT PERRAULT
CITY MANAGER / EXECUTIVE DIRECTOR**

**Please Review for the Possibility of a
Potential Conflict of Interest:**

- | | |
|--|-----------------------------------|
| <input checked="" type="checkbox"/> None Identified by Staff | <input type="checkbox"/> Bright |
| <input type="checkbox"/> Shoals | <input type="checkbox"/> Molnar |
| <input type="checkbox"/> Nicolls | <input type="checkbox"/> Peterson |

Meeting Date: May 16, 2011

Agenda Item No. CC/IA-2

In order for the sale to be finalized, state law provides that the City Council adopt a Resolution of Intention to sell the property, supported by findings of public interest and convenience. Included in the staff report as Attachment 1 is a draft resolution for Council's consideration. If adopted, the resolution would be published setting a protest hearing for the June 6, 2011 City Council meeting. If a protest was lodged at that meeting, the City Council would need to vote in favor of the sale by super majority (4 out of 5 votes if all Council Members are participating, unanimous otherwise).

ALTERNATIVES

The City Council has the following alternatives to consider:

1. Conduct the initial public hearing and, following the public hearing, adopt the Resolution setting the hearing for final action at the next City Council Meeting.
2. Provide alternate direction to staff.

RECOMMENDED ACTION

It is recommended that the Council conduct the initial public hearing and adopt the Resolution of Intention to sell the property.

No action by the Improvement Agency Board is required at this time.

FISCAL IMPACT

Failure to adopt this resolution would have an adverse impact on the current budget, as proceeds from the sale of this property will be needed to balance the FY 11 budget.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act. A Public Hearing notice regarding the May 16, 2011 City Council meeting was published in The Tribune on Friday, May 6, 2011. Property owners within 300 feet of the subject property were mailed a notice of the Public Hearing on that same date.

Attachment

1. Draft Resolution No. 11-__.

RESOLUTION NO. 11-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH, CALIFORNIA, STATING THE COUNCIL'S INTENT TO SELL TO THE GROVER BEACH IMPROVEMENT AGENCY A PARCEL OF REAL PROPERTY LOCATED AT 920 BRIGHTON AVENUE FOR THE PURPOSES OF DEVELOPMENT OF AN AFFORDABLE HOUSING PROJECT

WHEREAS, the City of Grover Beach has an allocation of 193 units of affordable housing in current Regional Housing Needs Assessment (RHNA) cycle; and

WHEREAS, the affordable housing program for the City has included acquisition of available property by the City's Improvement Agency with the set-aside funds and construction of affordable units in collaboration with developers or non-profit organizations; and

WHEREAS, the City has an available parcel for the above-described purpose and it would be in City's and public interest to commit that parcel for construction of units that would bring the City closer to meeting its RHNA affordable housing allocation; and

WHEREAS, the property proposed to be sold by the City of Grover Beach to the Grover Beach Improvement Agency is a single parcel located at 920 Brighton Avenue (APN 060-162-018); and

WHEREAS, per the Subdivision Map Act, specifically at Government Code Section 66428(a)(2), it is not necessary to process a parcel map prior to the proposed property sale because the sale will involve land conveyed to and from a governmental agency; and

WHEREAS, the proposed sale does not require review pursuant to the California Environmental Quality Act (CEQA) in that it has no potential for direct or indirect environmental effect or change; and

WHEREAS, this Council finds and determines that based on the recitals set out above, the public interest, necessity and convenience require the sale of the City parcel to the Improvement Agency for construction of an affordable housing project and that the sale price of Two Hundred Thirty Five Thousand Dollars (\$235,000) is adequate compensation for sale of the City parcel.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF GROVER BEACH DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. Pursuant to Government Code Section 37422 the City Council designates the City Council regular meeting of **Monday, June 6, 2011**, at such time as the matter is listed on the agenda for that meeting, as the time for hearing protests to the sale of City property described hereinabove. Protests may be written or oral and may be submitted prior to or at the meeting time fixed hereby. At said meeting the Council shall hear and pass upon any protests. If no protests are received or the Council overrules the protests by a 4/5 vote, the sale may proceed. If 4/5 do not so vote to complete the sale, the Council shall take

no further action regarding sale of the property for six (6) months unless it shall first call a special election on the question, pursuant to procedures set out in Government Code Sections 37420 through 37430, inclusive.

SECTION 2. This resolution shall be published at least once in a daily newspaper circulated in the City, or designated newspaper published in the County of San Luis Obispo. This resolution shall also be posted for not less than ten (10) days in at least three (3) conspicuous places on the City parcel to be sold to the Improvement Agency.

SECTION 3. Final action, if taken, to direct the sale of the City parcel, therefore, shall be taken by the Council at the meeting fixed in Section 1, above, following the hearing on protests described hereinabove.

SECTION 4. The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

On motion by Council Member _____, seconded by Council Member _____, and on the following roll-call vote, to wit:

AYES: Council Members -
NOES: Council Members -
ABSENT: Council Members -
ABSTAIN: Council Members -

the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at a Regular meeting of the City Council of the City of Grover Beach, California this 16th day of May, 2011.

Attest:

JOHN P. SHOALS, MAYOR

DONNA L. McMAHON, CITY CLERK