



Staff Report

File #: 22-0138

REQUEST FOR CITY COUNCIL ACTION

DATE: 02/16/2022

TO: Honorable Mayor and City Council Members

FROM: Planning and Development Department

SUBJECT:

Resolution of the City Council declaring that the property located to the south of 1400 Baldy View Circle and identified as a portion of Assessor's Parcel Number 102-380-055 is no longer necessary for the City's use and is exempt surplus land under the Surplus Land Act and approving the purchase and sale agreement for the sale of such property to the owner of contiguous land.

EXECUTIVE SUMMARY:

The City of Corona owns real property located on Baldy View Circle. The entire property is 22.5 acres and identified as Assessor Parcel Number (APN) 102-380-055. An adjacent property owner is interested in purchasing approximately 2,750 square feet of the city owned property and merge it with the owner's existing property. Pursuant to state law on the regulations governing surplus land, the City is proposing to declare the city owned property as exempt surplus land because the property is not necessary for the City's use. Declaring the city owned property as surplus land would allow the City to formally start the process to dispose of the property in accordance with the procedures set forth by State law in the Surplus Land Act.

RECOMMENDED ACTION:

That the City Council:

- a. Adopt Resolution 2022-012, declaring that the property identified as a portion of Assessor Parcel Number 102-380-055 is exempt surplus land and is no longer necessary for the City's use.
- b. Authorize the City Manager to enter into a Purchase and Sale Agreement for the sale of such property to the owner of contiguous land, Mr. Amir Ghadiri.
- c. Increase General Fund revenue estimates by \$27,500.

BACKGROUND & HISTORY:

The City received a request from the property owner of 1400 Baldy View Circle to purchase approximately 2,750 square feet of property owned by the City. The subject property is adjacent to the property at 1400 Baldy View Circle and is located within the City's Landscape Maintenance District (LMD). The subject property is part of a larger parcel that is 22.5 acres. The 22.5 acres is a landscaped area and maintained by the City's LMD.

Before the City takes any action to dispose of land, it must first declare the property as surplus land or exempt surplus land that is not necessary for the City's use pursuant to the California Surplus Land Act, which is governed by Government Code § 54220 et seq.

The subject property identified as a portion of APN 102-380-055 is approximately 2,750 square feet. The property is undeveloped and is part of a landscaped maintenance area that is adjacent to other residential properties. The subject property is for aesthetic purposes and provides no other use for the City.

The subject property meets the definition of exempt surplus land per Government Code Section 54221(f)(b), which covers small surplus land parcels sold to an owner of contiguous land. In this instance the subject property meets the definition of exempt surplus land because:

- The subject property is less than 5,000 square feet in area, and
- The subject parcel is less than the minimum legal residential building lot size of the City, which is 6,000 square feet based on the zoning.

The owner of 1400 Baldy View Circle intends to merge the subject property with their existing property that is currently developed with a single family home and expand the backyard.

The City Council's adoption of Resolution 2022-012 would take formal action declaring the subject property as exempt surplus land. The City's Notice of Exemption Determination will be submitted to the Department of Housing and Community Development at least 30 days prior to the disposition of the land.

ANALYSIS:

Declaration of Exempt Surplus Land

The subject property, which is 2,750 square feet, is undeveloped but is landscaped as part of the overall larger parcel, which is 22.5 acres. The landscaping is for aesthetic and erosion control purposes and is maintained by the City as part of its Landscape Maintenance District. Removing approximately 2,750 square feet of land from the larger parcel will not have a financial impact on the LMD nor will it affect the overall appearance of the area. Therefore, the subject property is not needed for the City's use and can be disposed without having an impact on City services.

The zoning of the subject parcel is Low Density Residential of the Sierra Del Oro Specific Plan. The General Plan designation is also Low Density Residential. The subject parcel is adjacent to an

existing residential property at 1400 Baldy View Circle, which has the same zoning and General Plan designation as the subject property. The subject property will merge with the existing property to expand the backyard once it is acquired by the property owner. Once the subject property is merged with the existing property, the property’s appearance will have a contiguous extension.

Purchase and Sale Agreement Terms

Mr. Amir Ghadiri is the property owner of 1400 Baldy View Circle and the proposed buyer of the City’s surplus property. The buyer is required to enter into a Purchase and Sale Agreement with the City prior to the disposition of the property. A partial list of the terms of the Purchase and Sale Agreement are described below.

- The purchase price of the subject property is \$27,500, which is based on the appraised value of the property dated December 2021.
- The buyer shall pay the City for the cost of the appraisal, which is \$2,000.
- The buyer shall deposit into escrow the sum of \$5,000 as an earnest money deposit within 10 days following the effective date of the Agreement. The earnest deposit shall be applied to the purchase price.
- The escrow period is 90 days and contingent upon the approval of the lot line adjustment and approval of easement vacation.
- The buyer shall pay all closing costs associated with the purchase.
- The buyer shall pay the full purchase price to the City prior to the close of escrow.
- The City shall receive confirmation from the Department of Housing and Community Development (HCD) that the subject property has been declared exempt surplus property under the Surplus Land Act, prior to the close of escrow.
- The buyer shall process a lot line adjustment with the City that merges the subject property with the property at 1400 Baldy View Circle. The lot line adjustment shall be recorded at the same time as the close of escrow.

FINANCIAL IMPACT:

The sale of the subject property will result in revenue of \$27,500. The revenue will be recorded in the General Fund.

GENERAL FUND	
Adopted Budget - FY 2022 Estimated Revenue Over Expenditures	\$ 14,593,660
Less Measure X Reserves	(13,144,418)
Previously Approved/Revised Budget Adjustments (Net)*	(986,350)
Current Estimated Revenue Over Expenditures	462,892
Revenue - Sale of Land	27,500
Revised Estimated Revenue Over Expenditures [Note 1]	\$ 490,392
Budget Balancing Measures Reserve - Estimated 06/30/2021	27,665,595
Estimated FY 2022 Change in Budget Balancing Measures Reserve	490,392
Estimated Budget Balancing Measures Reserve - 06/30/22	\$ 28,155,987

* Approved through Council Action or other operational process.

ENVIRONMENTAL ANALYSIS:

The declaration of the subject property as surplus is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15312 (Surplus Government Property Sales).

PREPARED BY: JOANNE COLETTA, PLANNING AND DEVELOPMENT DIRECTOR

Attachments:

1. Exhibit 1 - Locational
2. Exhibit 2 - Resolution No. 2022-012