

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE (A) DECLARING 12,800 SQUARE FEET OF LAND, IDENTIFIED AS A PORTION OF ASSESSOR'S PARCEL NUMBERS 264-11-024, "EXEMPT SURPLUS LAND" UNDER CALIFORNIA GOVERNMENT CODE §54221(F)(1)(C) AS EXCHANGE OF LAND FOR ANOTHER PROPERTY NECESSARY FOR THE CITY'S USE; (B) APPROVING THE SALE OF 12,800 SQUARE FEET OF CITY-OWNED PROPERTY LOCATED AT THE SOUTHEAST CORNER OF W. HOME AND SUNOL STREETS, TO SAN JOSE WATER COMPANY IN THE AMOUNT OF \$1,090,000, TO EXCHANGE FOR THE PROPERTIES IDENTIFIED AS ASSESSOR'S PARCEL NUMBERS 264-11-034, 259-07-075, 459-02-004, 459-02-008 IN FEE INTEREST AND AN APPROXIMATELY 12,000 SQUARE FOOT EASEMENT ENCUMBERING APN 458-18-012, FOR THE TOTAL AMOUNT OF \$270,000; AND (C) AUTHORIZING THE CITY MANAGER OR DESIGNEE TO NEGOTIATE AND EXECUTE A PURCHASE AND SALE AGREEMENT AND AN EASEMENT AGREEMENT BETWEEN THE CITY OF SAN JOSE AND SAN JOSE WATER COMPANY FOR THE SUBJECT PARCELS AND TO EXECUTE ALL OTHER DOCUMENTS NECESSARY TO EFFECTUATE THE PROPERTY EXCHANGE

WHEREAS, ~~the City of San José ("City") may declare City-owned real property as surplus to the needs of the City, and~~ Sections 4.20.030 and 4.20.050 of the San José Municipal Code permit the sale of City-owned surplus property upon City Council finding and determination that the transaction is consistent with the Surplus Land Act and where the transaction is an exchange of properties, respectively, by direct negotiation; and

WHEREAS, in 2017, the City of San José ("City") acquired approximately 12,800 square feet (0.29 acres) of property, identified as a portion of Assessor's Parcel Number

("APN") 264-11-024, located at the southeast corner of West Home Street and Sunol Street for the Del Monte Park Phase III Project ("Sunol Street property"); and

WHEREAS, a City-commissioned appraisal determined that the best use of the Sunol Street property is as an industrial contractor's yard and valued the property at \$1,090,000; and

WHEREAS, San Jose Water Company ("SJWC") would like to acquire the Sunol Street property for a water station; and

WHEREAS, SJWC owns four properties - West Home Street (APN 264-11-034), Emory Street (APN 259-07-075), Harvest Meadow Court (APN 459-02-004 and APN 459-02-008), and Branham Lane Easement (a portion of APN 458-18-012) - that the City would like to acquire for parks-related uses ("SJWC properties"); and

WHEREAS, SJWC has agreed to convey the SJWC properties to the City to offset the cost of the acquisition of the Sunol Street property; and

WHEREAS, the City will transfer 0.29 acres, valued at \$1,090,000, to SJWC, and SJWC will transfer 5.31 acres and a 0.28 acre easement, valued at \$270,000, to the City in the property exchange; and

WHEREAS, SJWC will pay the balance, \$820,000, in cash to the City at the time of transfer; and

WHEREAS, the City desires to designate the Sunol Street property as "exempt surplus land," approve of the sale of the Sunol Street property in exchange for the SJWC properties, and authorize the City Manager or designee to negotiate and execute a Purchase and Sale Agreement and an Easement Agreement between the City and

SJWC in conformance with the California Surplus Land Act and the San José Municipal Code;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

- (a) The 12,800 square feet of land, identified as a portion of Assessor's Parcel Numbers 264-11-024, ~~is surplus to the needs of the City and~~ is hereby declared "exempt surplus land" under California Government Code §54221(f)(1)(C) as exchange of land for another property necessary for the City's use.
- (b) The sale of 12,800 square feet of City-owned property located at the southeast corner of W. Home and Sunol Streets, to San Jose Water Company in the amount of \$1,090,000, to exchange for the properties identified as Assessor's Parcel Numbers 264-11-034, 259-07-075, 459-02-004, 459-02-008 in fee interest and an approximately 12,000 square foot easement encumbering APN 458-18-012, for the total amount of \$270,000 is hereby approved.
- (c) The City Manager or designee is hereby authorized to negotiate and execute a Purchase and Sale Agreement and an Easement Agreement between the City of San José and San Jose Water Company for the subject parcels and to execute all other documents necessary to effectuate the property exchange.

ADOPTED this _____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk