


CITY COUNCIL ACTION REQUEST

Department(s): Office of Economic Development and Cultural Affairs	CEQA: Categorically Exempt, File No. ER23-171, CEQA Guidelines Section 15312, Surplus Government Property Sales.	Coordination: City Attorney’s Office, City Manager’s Budget Office, and the Departments of Planning, Building, and Code Enforcement, and Public Works.	Dept. Approval: /s/ Nanci Klein
Council District(s): 3			CMO Approval:  8/16/23

SUBJECT: SALE OF EXEMPT SURPLUS LAND AT SOUTH 16TH STREET TO SANTA CLARA VALLEY WATER DISTRICT

RECOMMENDATION:

Adopt a resolution:

- (a) Authorizing a 443 square foot property fronting South 16th Street near Coyote Creek as “exempt-surplus land” to the needs of the City under Cal. Gov. Code sect. 54221(f)(1)(C) as the land is not necessary for the City of San José’s use and is being transferred to a local agency for that agency’s use in a flood control project; and
- (b) Authorizing the City Manager, or designee, to negotiate and execute a Purchase and Sale Agreement, Quitclaim Deed, and all other documents necessary to effectuate the transfer to Santa Clara Valley Water District from the City of San José, for the sale of a 443 square foot property fronting South 16th Street near Coyote Creek for the consideration of \$12,000 by direct negotiation under San José Municipal Code Sect. 4.20.080 and in accordance with Council Policy No. 7-13(D)(3) as the transferee is a governmental entity and the land is being sold for a public purpose.

BASIS FOR RECOMMENDATION:

In 2022, Santa Clara Valley Water District (Valley Water) approached the City about acquiring the 443 square foot property fronting South 16th Street near Coyote Creek (Subject Property) in connection with the Coyote Creek Flood Management Measures Project. The goal of the Coyote Creek Flood Management Measures Project is to plan, design, and construct approximately nine miles of flood management measures between Montague Expressway and Tully Road at various locations along Coyote Creek providing protection from flood events.

The Subject Property is approximately 443 square feet, five feet wide and linear in shape, with frontage along South 16th Street as shown in the Property Description (**Attachment**). The Subject Property does not have an Assessor’s Parcel Number assigned, but it is located between a residential parcel (APN 472-31-040) to the north and a vacant parcel (APN 472-21-094) owned by Valley Water to the south. The Subject Property is bound by Coyote Creek to the east and South 16th Street to the west. The Subject Property has no structures or improvements and is not independently developable.

Valley Water commissioned an appraisal, which was reviewed by City staff, that determined the highest and best use of the site is for assemblage with the adjacent residential property for additional yard space. The appraisal determined the fair market value of the property to be \$12,000. Staff agrees with the conclusion of the appraisal and recommends sale of the property to Valley Water for fair market value.

The Subject Property is “exempt surplus land” under California Government Code §54221(f)(1)(C) as it will be transferred to a local agency, Valley Water, for its use in the Coyote Creek Flood Management Measures Project and conforms to Council Policy No. 7-13(D)(3) because the Subject Property will be sold to a local agency for that agency’s use at fair market value.

If City Council approves of the actions listed above, upon adoption of the resolution, the Subject Property will be declared as “exempt surplus land” to the needs of the City. After receiving concurrence by the California Department of Housing and Community Development, the City Manager, or designee, will negotiate and execute a purchase and sale agreement conveying the Subject Property to Valley Water for a purchase price of \$12,000 to support the agency’s flood control efforts on Coyote Creek.

Commission Recommendation/Input: No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE:

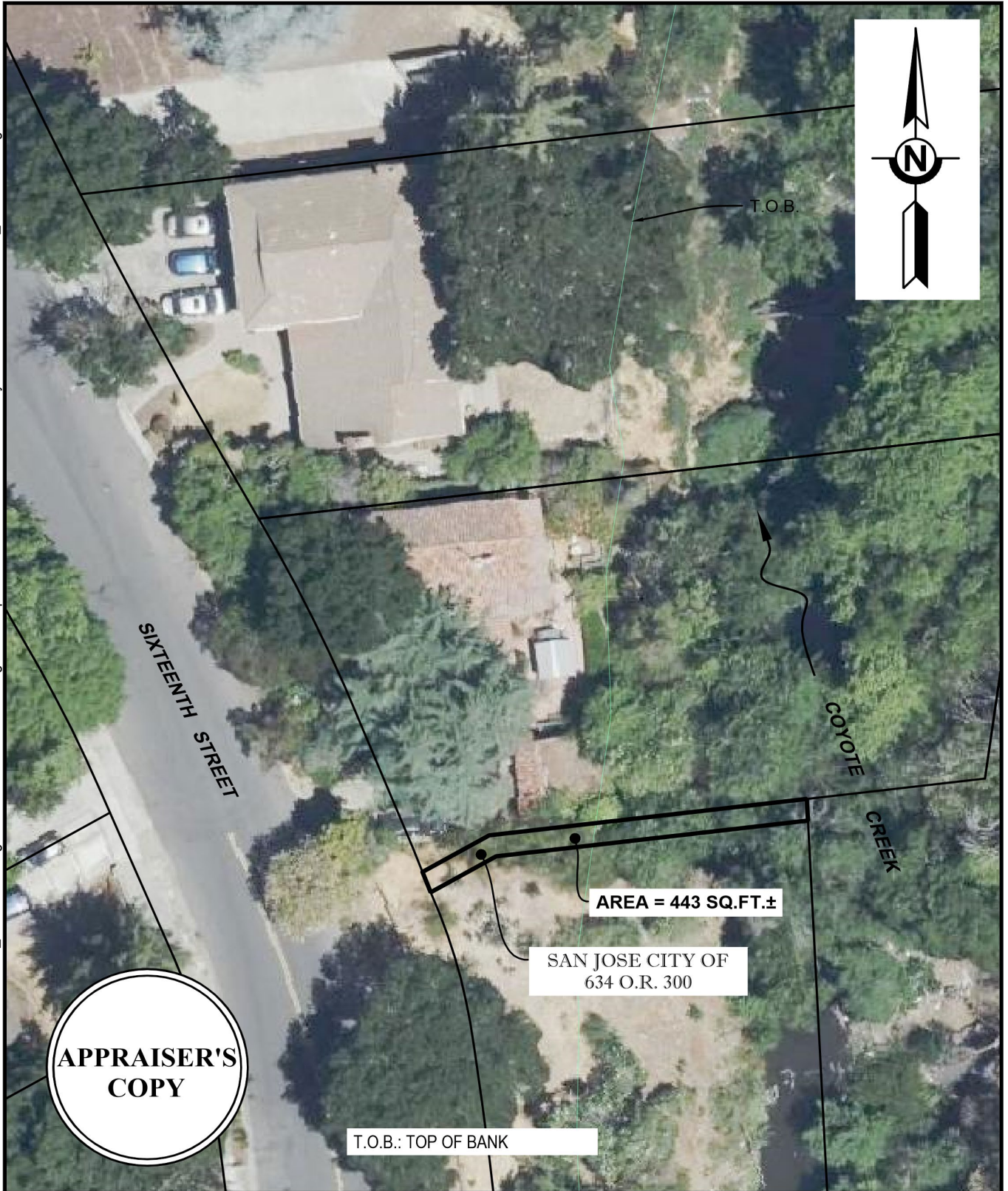
The net proceeds from the sale of the Subject Property total \$12,000 and will be deposited in the General Fund upon completion of the transaction described in this memorandum. These proceeds will go towards meeting the General Fund revenue estimate included in the 2023-2024 Adopted Budget for the sale of real property.

FOR QUESTIONS CONTACT: Kevin Ice, Senior Real Estate Manager, at kevin.ice@sanjoseca.gov.

Attachment: Property Description.

Attachment
Property Description

SAN JOSE CITY OF



**APPRAISER'S
COPY**

T.O.B.: TOP OF BANK

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SANTA CLARA VALLEY WATER DISTRICT



SCALE: 1" = 30'

RESU FILE NO.	4021-417
APN	
TITLE REPORT NO.	616019595
DRAWN	B. BAINS