

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE: (1) DECLARING 86 SQUARE FEET OF VACATED STREET ON NORTH FOURTH AND EAST SANTA CLARA STREETS, SURPLUS TO THE NEEDS OF THE CITY ; (2) APPROVING AN AGREEMENT BETWEEN THE CITY OF SAN JOSE AND SJSC PROPERTIES, LLC FOR THE SALE OF THE PROPERTY IN THE AMOUNT OF \$18,146; AND (3) AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE SALE AGREEMENT, THE QUITCLAIM DEED, AND ALL OTHER DOCUMENTS NECESSARY TO COMPLETE THE TRANSACTION

WHEREAS, on June 16, 1977 a Corporation Grant Deed was recorded in Book C921 at page 578, of Official Records in the Office of the County Recorder, County of Santa Clara as document number 5688124 that granted fee title ownership of approximately 86 square feet at the northeast corner of North Fourth Street and East Santa Clara Street ("Property") from California Federal Savings and Loan Association to the City of San José ("City"); and

WHEREAS, on March 15, 2017, the City approved a Special Use Permit for the development of two 28-story mixed use residential towers on a 1.4 acre site at the northeast corner of North Fourth Street and East Santa Clara Street ("Project"), and included within the Project scope are public improvements to sidewalks and traffic signal modifications; and

WHEREAS, as a result of the Project's public improvements, the Property is an excess right-of-way behind the public sidewalk; and

WHEREAS, on May 23, 2017, the City Council approved a summary vacation of the Property, making it available for surplus sale; and

WHEREAS, Section 4.20.070 of the San José Municipal Codes authorizes the sale of surplus property through direct negotiation at fair market value, and upon such other terms and conditions as Council may direct, to the owner of property adjacent to such surplus property; and

WHEREAS, staff has determined that there are no other municipal purposes now or in the foreseeable future for which the Property could be used and therefore there is no reason for the City to own and maintain the Property; and

WHEREAS, on September 27, 2014, the Governor of California approved Assembly Bill 2135 ("AB 2135"), which requires local government agencies to impose certain affordable housing restrictions when disposing of surplus property, and although as a charter city San José would not have been subject to the requirements of AB 2135, on April 26, 2016, the City Council adopted Resolution No. 77725, updating the City's procedure for the disposition of surplus City-owned property to reflect the general terms of AB 2135; and

WHEREAS, pursuant to Section D of City Policy No. 7-13, the subject property is excepted from the affordable housing requirements of City Policy No. 7-13 because the property is not located in an enterprise zone nor contiguous to land used for a park, recreation, open-space or low and moderate income housing purposes and is less than 5,000 square feet in size; and

WHEREAS, staff has negotiated directly with the adjacent property owner, SJSC Properties, LLC and recommends moving forward with the sale of the Property for a purchase price of \$18,146;

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

1. Declares 86 square feet of vacated street on North Fourth and East Santa Clara Streets, surplus to the needs of the City;
2. Approves an agreement between the City of San Jose and SJSC Properties, LLC for the sale of the property in the amount of \$18,146; and
3. Authorizes the City Manager or his designee to execute the sale agreement, the quitclaim deed, and all other documents necessary to complete the transaction.

ADOPTED this _____ day of _____, 2017, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk