

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Nanci Klein

**SUBJECT: DECLARATION OF SURPLUS
AND SALE OF A PORTION OF
CITY-OWNED PROPERTY**

DATE: June 7, 2021

Approved



Date

6/10/2021

COUNCIL DISTRICT: 3

RECOMMENDATION

Adopt a resolution:

- (a) Declaring the subject property “exempt surplus land” under California Government. Code §54221(f)(1)(B) as the land is not necessary for the City of San José’s use, is less than 5,000 square feet, is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes, and is being transferred to a contiguous property owner;
- (b) Approving the sale of City-owned property located along Graham Avenue at the northwest corner of Goodyear and Sherman Streets, identified as a portion of Assessor’s Parcel Number 434-07-084, to Jonathon Elliott for \$45,000 by direct negotiation under San José Municipal Code Section 4.20.070 as the transferee is an adjacent property owner; and
- (c) Authorizing the City Manager, or his designee, to execute the Purchase and Sale Agreement, the deed, and all other documents necessary to complete the transaction.

OUTCOME

Adoption of this resolution will allow approximately 1,356 square feet of vacant land located along Graham Avenue at the northwest corner of Goodyear and Sherman Streets, known as a portion of Assessor’s Parcel Number (“APN”) 434-07-084, as described in Exhibit A and depicted in Exhibit B (“Property”) to be declared as “exempt surplus land” and sold to the neighboring landowner in conformance with California’s Surplus Land Act and the San José Municipal Code. The proceeds of the sale will be deposited into the City’s General Fund. This sale will address ongoing maintenance obligations for the City and improve public safety in the neighborhood.

BACKGROUND

The Property is an undevelopable, vacant remnant approximately 1,356 square feet in size, fronting Graham Avenue. The Property sits adjacent to the single-family residence located at 1081 Sherman Street and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes. The City's Department of Transportation maintains the property, which is often impacted by weeds, refuse, illegal dumping, and encampments.

ANALYSIS

The City of San José holds fee ownership of the subject property. The Property is vacant, unimproved land with a small irregular shape and corner lot configuration. The general plan land use designation for the Property is Residential Neighborhood. Given its small size, irregular shape and shallow depth, stand-alone residential development is not legally possible.

Since the Property is vacant, there has been ongoing maintenance issues that have created public safety concerns for neighborhood residents. The property is an attractive site for illegal dumping, and maintenance has been an ongoing burden for the City. The adjacent property owner approached the City to explore ways to address the maintenance challenges as the neighbor has been obliged to help with maintenance of the Property.

The Property's neighbor is interested in acquiring the property from the City in order to expand their yard space and to better maintain the property. Transferring fee ownership to the neighbor will address an ongoing management burden and reduce the ongoing maintenance expense for the City.

A City commissioned appraisal valued the property at \$45,000 (\$33.19/SF). Based on the appraisal, the highest and best use of this site is to assemble with the abutting property to create a larger yard space. The neighboring landowner has agreed to pay the appraised value to acquire the property from the City.

The California Surplus Land Act (§54220, et seq.) allows municipalities to transfer small parcels less than 5,000 square feet in size directly to neighboring landowners as exempt surplus land.

CONCLUSION

Staff recommends that the City Council designate the Property as exempt surplus land and approve the sale of the Property to the neighboring landowner in exchange for the appraised value of \$45,000. This will eliminate the City's ongoing maintenance obligations and liability and allow the neighboring landowner to better maintain the Property, which is anticipated to improve public safety in the surrounding neighborhood.

EVALUATION AND FOLLOW-UP

The transfer of the Property is anticipated to be completed within 30 days of execution of the Purchase and Sale Agreement by the City. No further actions will be required by staff after the close of escrow.

CLIMATE SMART SAN JOSE

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the June 22, 2021 Council Meeting.

COORDINATION

This memorandum has been coordinated with the Planning, Building, and Code Enforcement Department, the City Attorney's Office, and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation is associated with this action.

FISCAL/POLICY ALIGNMENT

A surplus sale of the subject property is in alignment with the Council-approved Budget Strategy Expenditure Control section by eliminating a City maintenance obligation and liability and generating revenue for the City's General Fund.

COST SUMMARY/IMPLICATIONS

Proceeds of the sale in the amount of \$45,000 will be recognized and deposited into the City's General Fund.

HONORABLE MAYOR AND CITY COUNCIL

June 7, 2021

Subject: Declaration of Surplus and Sale of a Portion of City-Owned Property

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CEQA

Categorically Exempt, File No. ER21-090, CEQA Guidelines Section 15312, Surplus Government Property Sales.

/s/

NANCI KLEIN

Director of Economic Development

For questions please contact Kevin Ice, Senior Manager of Real Estate Services, at (408) 535-8197.

EXHIBIT A

Description of the Property

All that certain Real Property situate in the City of San Jose, County of Santa Clara, State of California, being a portion on Lot 20 in Block 2 as said Lot and Block is shown upon that certain map entitled "Map of the Goodyear Tract," which map was filed for record in the office of the County Recorder, Santa Clara County, California, on November 22, 1890 in Book "E" of Maps, at page 37, and being more particularly described as follows:

COMMENCING at the point of intersection of the Westerly line of Sherman Street, 60 feet wide, with the Northerly line of Goodyear Street, 60 feet wide, as said Streets are shown on said "Map of the Goodyear Tract";

Thence along the Westerly line of Sherman Street, North $38^{\circ} 19' 50''$ West, a distance of 72 feet to the Southerly boundary of Lot 18, Block 2 as described in that certain deed document number 23088571 filed for record in the office of the County Recorder, Santa Clara County, California, on September 23, 2015 and the **TRUE POINT OF BEGINNING**;

Thence continuing along the Southerly line of said Lot 18, Block 2, South $51^{\circ} 40' 19''$ West, a distance of 93.08 feet to a point of cusp with a non-tangent curve, a radial line of said curve through said point bearing South $15^{\circ} 15' 20''$ East, to a point in the Northerly line of the Graham Avenue-Goodyear Street connection;

Thence along said Northerly line and along said curve concave to the North, with a radius of 500 feet through a central angle of $8^{\circ} 15' 34''$ an arc length of 72.08 feet;

Thence continuing along said Northerly line, to a compound curve, a radial line of said curve through said point bearing South $27^{\circ} 28' 54''$ East;

Thence along said compound curve concave to the North, with a radius of 21.00 feet through a central angle of $99^{\circ} 26' 08''$ an arc length of 36.45 feet to a point on the Westerly line of Sherman Street, and also being the Easterly line of Lot 20, Block 2 of said Tract Map;

Thence along the Westerly line of Sherman Street, North $38^{\circ} 19' 50''$ West, a distance of 3.27 feet to the **TRUE POINT OF BEGINNING**.

The described perimeter of the property contains approximately 1356 square feet, (0.031 acres) more or less.

Plat labeled "A-1" to accompany this description and made a part hereof.
This description, and plat attached, has been compiled from record data and not a field survey.

The Basis of Bearings for this description is the Bearing South 51° 40' 19" West, on the common property line of Lot 18 and Lot 20, in Block 2 as said Lot and Block is shown upon that certain map entitled "Map of the Goodyear Tract," which map was filed for record in the office of the County Recorder, Santa Clara County, California, on November 22, 1890 in Book "E" of Maps, at page 37.

The above description of real property was prepared by me, or under my supervision, in conformance with the requirements of Section 8726 (g, k, l, m) of the Business and Professions Code of the State of California.



Steve G. Choy, PLS 6672



LINE TABLE

L1 = N 27° 28' 54" W (R)
R = 21.00'
L2 = N 53° 04' 59" E (R)
R = 21.00'
L3 = N 38° 19' 50" S 327'

LEGEND

- CENTERLINE
- - - PROPERTY LINE
- - - TIE LINE

(R) = MAP REFERENCE
MAP OF THE GOODYEAR TRACT
BOOK "E" OF MAPS, PAGE 37

INDICATES GRANITE MONUMENT

SCALE: 1" = 30'

THIS PLAT WAS COMPILED FROM REPRODUCED DATA AND NOT BASED ON A FIELD SURVEY.

Goodyear — Sherman Std.dwg

CSJ PROJECT FILE: 19-051
SHEET 2 OF 2

EXHIBIT "A-1"
PLAT TO ACCOMPANY
QUITCLAIM OF REAL PROPERTY

PREPARED BY
CITY OF SAN JOSE
SURVEY SECTION
OCT. 25, 2019

EXHIBIT C
AERIAL MAP OF PROPERTY

