



CITY COUNCIL ACTION REQUEST

DEPARTMENT(S) City Manager's Office of Economic Development and Cultural Affairs	CEQA Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended)	COORDINATION City Attorney's Office, City Manager's Budget Office, Planning, Building, and Code Enforcement Department	Director Approval  Jen Baker
COUNCIL DISTRICT 4	resulting in no physical changes to the environment.		CMO Approval  9/25/2025

SUBJECT: Actions Related to Exempt Surplus Land and Sale of City-Owned Property to Spartan Riding Cardinal Mustangs, LLC.

RECOMMENDATION

Adopt a resolution:

- (a) Declaring the property described as Assessor's Parcel Number 244-22-001 located on Ringwood Avenue as "exempt surplus land" to the needs of the City of San José under Cal. Gov. Code §54221(f)(1)(B) as the land is not necessary for the City's use, it is less than one-half-acre in size, 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; and
- (b) Authorizing the City Manager, or her designee, to negotiate and execute a Purchase and Sale Agreement and Quitclaim Deed, and all other necessary documents to effectuate the property transfer to Spartan Riding Cardinal Mustangs, LLC from the City of San José, for the sale of Assessor's Parcel Number 244-22-001 for the consideration of \$601,000 by direct negotiation under San José Municipal Code Section 4.20.030 and in accordance with City Council Policy 7-13.

BASIS FOR RECOMMENDATION

The property is approximately 20,909 square feet or 0.48 acres in size, and is a narrow former railroad right-of-way, roughly 30 feet wide and linear in shape (Property) (Attachment – Property Description). The Property has a General Plan designation of Industrial Park, and is situated between two industrial parcels to the north and south, APNs 244-23-050 and 244-22-050, known as 2095 and 2115 Ringwood Avenue. Both of the adjacent parcels are owned and operated by Spartan Riding Cardinal Mustangs LLC, which is an affiliate of Silicon Valley Mechanical, a full-service, design-build contractor specializing in heating, ventilation and air conditioning, piping, and plumbing. The Property is bounded on the west by Southern Pacific railroad tracks and by Ringwood Avenue on the east. The Property is a former railroad right-of-way, but it no longer contains railroad infrastructure. There are no structures or improvements aside from a portion of the property, which is paved.

In late 2024, Spartan Riding Cardinal Mustangs, LLC approached the City about acquiring the Property for the purposes of connecting the two industrial parcels they own to the north and south. The Property is not large enough to support development on its own, and it would only be developable after assembling with an adjacent parcel. An appraisal by Valbridge Property Advisors determined the fair market value to be \$601,000, due to the challenges of developing the parcel, given its narrow size.

Staff recommends a sale of the property to the adjacent landowner for \$601,000, which is the fair market value of the parcel.

Staff analysis indicates that there is no City use for the Property and that the location is not identified for any future projects. The Property requires maintenance to deter against trespass, and these management challenges are an ongoing source of liability. The Property can be declared “exempt surplus land” under California Government Code §54221(f)(1)(B) and conforms to San José Municipal Code Section 4.20.030 as well as City Council Policy 7-13 because of its “exempt surplus land” designation and as it is less than one half-acre in size, 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 will be sold to an adjacent property owner for fair market value.

If City Council approves of the actions listed above, upon recordation of the resolution, the Property will be declared as “exempt surplus land” to the needs of the City, and the City Manager, or her designee, will negotiate and execute a purchase and sale agreement conveying the Property to Spartan Riding Cardinal Mustangs, LLC for a purchase price of \$601,000.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE

There are no costs associated with this action and revenue to the General Fund from this agreement is estimated at \$601,000.

FOR QUESTIONS CONTACT: Kevin Ice, Assistant to the City Manager, Director of Real Estate, City Manager’s Office of Economic Development and Cultural Affairs at kevin.ice@sanjoseca.gov.

Attachment: Property Description

Attachment

Property Description

