



City of Culver City

Mike Balkman Council
Chambers
9770 Culver Blvd.
Culver City, CA 90232

Staff Report

File #: 23-308, **Version:** 1

Item #: C-8.

CC: CONSENT - (1) Adoption of a Resolution Declaring Property Owned by the City of Culver City at 3725 Robertson Boulevard to be Exempt Surplus Land Pursuant to California Government Code Section 54221(f)(1)(B); and (2) Authorize the City Manager to Take Related Actions.

Meeting Date: October 24, 2022

Contact Person/Dept: Todd Tipton / Office of Economic and Cultural Development

Phone Number: 310-253-5783

Fiscal Impact: Yes ☐ No ☒

General Fund: Yes ☐ No ☒

Attachment: Yes ☒ No ☐

Commission Action Required: Yes ☐ No ☒

Public Notification: (E-Mail) Meetings and Agendas - City Council (10/19/2022).

Department Approval: Jesse Mays, Assistant City Manager (10/13/2022)

RECOMMENDATION:

Staff recommends the City Council: (1) adopt a resolution declaring property owned by the City of Culver City (City) at 3725 Robertson Boulevard to be Exempt Surplus Land pursuant to California Government Code Section 54221(f)(1)(B); and (2) authorize the City Manager to take related actions.

BACKGROUND:

The City-owned parcel at 3725 Robertson Boulevard (the "City Parcel") measures approximately 10' x 100' and is improved with three parking spaces that have been rented to businesses in the surrounding area. The City Parcel is immediately adjacent to 3727 Robertson Boulevard.

In late 2019 the City and 3727 Robertson, LLC, a California limited liability company (the "Developer") entered into a Disposition and Development Agreement (as amended from time to time, the "DDA"), to develop a mixed-use development consisting of 12 dwelling units (three are affordable) and 6,820 square feet of commercial space with subterranean parking. Pursuant to the DDA, the City will convey the City Parcel to the Developer to improve the feasibility of the new

development and in exchange receive three at-grade spaces in the new development for 25 years that will be rented by the City to businesses in the area. The City will receive all rental revenue generated by the spaces.

The Surplus Land Act (the “SLA”) was inapplicable to the DDA at the time that it was entered into in 2019, in accordance with California Government Code Section 52201(c).

DISCUSSION:

The SLA was expanded on January 1, 2020, via AB 1486, to apply the SLA to the DDA retroactively. The California Department of Housing and Community Development (“HCD”) determined that the DDA does not qualify for the “grandfathering” exceptions of AB 1486, for technical reasons.

The SLA requires a local agency to declare certain properties as either “surplus land” or “exempt surplus land” before taking action to dispose of those properties. California Government Code Section 54221(f)(1)(B) of the SLA defines “exempt surplus land”, in part, as surplus land that is less than 5,000 square feet in area 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, provided that the surplus land is sold to an owner of contiguous land. Because the City Parcel (at 1,020 square feet in area) is less than 5,000 square feet in area, 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 would be sold to the Developer, who is the owner of contiguous land, the City parcel qualifies as “exempt surplus land” as defined in California Government Code Section 54221(f)(1)(B) of the SLA.

Adoption of the attached resolution declaring the City Parcel as “exempt surplus land”, as suggested by HCD, would allow the City to dispose of the City parcel to the Developer, as required by the DDA.

FISCAL ANALYSIS:

There would be no fiscal impact from the City’s adoption of the resolution. If the City does not adopt the resolution, then the City would not be permitted to dispose of the City Parcel to the Developer, and the City could face potential liability to the Developer for breach of the DDA.

ATTACHMENT:

1. City Council Resolution No. 2022-R_____ .

MOTION:

That the City Council:

1. Adopt a resolution declaring property owned by the City of Culver City at 3725 Robertson Boulevard to be Exempt Surplus Land pursuant to California Government Code Section 54221(f)(1)(B); and

2. Authorize the City Manager to take related actions.