



Agenda Report

November 14, 2022

TO: Successor Agency to the Pasadena Community Development Commission

FROM: Office of the City Manager - Economic Development Division

SUBJECT: ADOPTION OF A RESOLUTION OF THE SUCCESSOR AGENCY OF THE PASADENA COMMUNITY DEVELOPMENT COMMISSION EXEMPTING THE SALE OF THE REAL PROPERTY AT 1383 PRIME COURT FROM THE SURPLUS LAND ACT

RECOMMENDATION:

It is recommended that the Successor Agency to the Pasadena Community Development Commission:

1. Find that adopting the proposed Resolution is exempt from the California Environmental Quality Act (CEQA) per Section 15061(b)(3) (common sense exemption) and State CEQA Guidelines Section 15312 (surplus government property sales); and
2. Adopt a Resolution finding that Real Property owned by the Successor Agency to the Pasadena Community Development Commission located in the City of Pasadena at 1383 Prime Court, and identified as APN 5848-028-900, is exempt from the Surplus Land Act, and taking related actions.

BACKGROUND:

In 1997 the Pasadena Community Development Commission (Commission) acquired the property at 1383 Prime Court for the purpose of eliminating a dilapidated structure. In recent years, the property has been utilized for construction staging for the renovation of the Washington Theater, to the immediate south, and is currently vacant.

In February 2012, pursuant to the Statewide elimination of Redevelopment, the Commission was dissolved and the City of Pasadena elected to serve as the Successor Agency to the Commission. As such, ownership of all properties that had been owned by the Commission, including the property at 1383 Prime Court, were transferred to the Successor Agency. In December 2015 the California Department of Finance (DOF) approved the Successor Agency's Long Range Property Management Plan (LRPMP).

The LRPMP includes a list of all Successor Agency-owned properties and describes their disposition. 1383 Prime Court is included in the LRPMP and is identified to be sold.

The State's Surplus Land Act ("Act") requires that affordable housing development be prioritized when public agencies dispose of public lands, such as those that were owned by a Successor Agency.

When a property is disposed of, the Act generally requires local agencies to take formal action at a public meeting to declare a property as surplus land or exempt surplus land prior to undertaking other action to dispose of the land. On January 1, 2020, the Act was amended to include "successor agency" in the definition of "local agency." However, the Act, as amended, also provides that if an exclusive negotiating agreement ("ENA") was entered into by a successor agency prior to the end of 2020 with respect to land listed for sale on the successor agency's long range property management plan, that land could be sold as late as the end of 2022 without being subject to the Act.

To this end, on November 23, 2020, prior to the December 31, 2020 deadline, the Successor Agency directed the City Manager to enter into an ENA with Jacobs Ladder, LLC, the owner of the Washington Theater. The ENA was executed on December 11, 2020 and will expire after December 31, 2022.

As the ENA was entered into prior to December 31, 2020, and it is the Successor Agency's intent to sell the property not later than December 31, 2022, the proposed resolution confirms that the sale is exempt from the Act disposition process, as amended on January 1, 2020. However, if the sale is not completed by December 31, 2022, the Act will apply to the future sale of the property. The resolution will be provided to the California Department of Housing and Community Development ("HCD") to inform it that the sale of 1383 Prime Court will be exempt from the Act.

It is important to recognize that this action does not dispose of the property. The City cannot dispose of the property unless and until the Fifth Supervisorial District Consolidated Oversight Board approves of the sale, which will be presented to it at its meeting of December 8, 2022.

COUNCIL POLICY CONSIDERATION:

Adoption of the proposed resolution would be consistent with the City Council's goals to maintain fiscal responsibility and stability, and to support and promote the quality of life and local economy.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061(b)(3) (common sense exemption) and State CEQA Guidelines Section 15312 (surplus government property

sales). The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to review. The action proposed herein, adoption of a resolution confirming the sale of the property is not subject to the Surplus Land Act only for purposes of submittal to the California Department of Housing and Community Development, does not have the potential for causing a significant impact on the environment. The City is not taking any other discretionary action with regard to this property. If future discretionary actions are proposed, they will be subject to appropriate environmental review at that time.

FISCAL IMPACT:

The recommended action will have no immediate fiscal impact.

Respectfully submitted,



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 FOR

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