



Agenda Report

July 8, 2024

TO: Honorable Mayor and City Council

FROM: Office of the City Manager - Economic Development Division

SUBJECT: **ADOPT A RESOLUTION DECLARING THE REAL PROPERTY COMMONLY KNOWN AS 450 NORTH LAKE AVENUE (FORMER KAISER SITE) LOCATED IN THE CITY OF PASADENA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS SURPLUS LAND PURSUANT TO THE STATE SURPLUS LAND ACT**

RECOMMENDATION:

It is recommended that the City Council:

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 declaring that Real Property owned by the City of Pasadena located in the City of Pasadena at 434-470 North Lake Avenue and identified as APN 5732-017- 017 and 5732-017-018 (Property), as Surplus Land pursuant to the Surplus Land Act, and taking related actions.

BACKGROUND AND SUMMARY:

On April 23, 2023, the City Council authorized the purchase of the Property. The Property is improved with three existing buildings that were previously utilized by Kaiser for outpatient and administrative services but have been vacant for the past 11 years. The City's General Plan Land Use Designation for the property is Medium Density Mixed-Use, zoning code allows a base density of 87-units per acre and a 2.25 Floor Area Ratio. Municipal rules permit the site to be developed with housing, community serving retail uses as well out outpatient health services. Staff has evaluated the Property for its potential for City use and determined that the Property is not necessary for the City's use.

This disposition of this property is subject to the State Surplus Land Act (Act). 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. The Act generally requires a Notice of Availability (NOA) of the surplus property for sale (or lease) to be sent to various types of entities for specified uses, including to housing developers (who must agree to restrict at least 25% of the units for lower-income households), and to prioritize affordable housing developments. The City will evaluate proposals for both the sale and lease of the Property.

Staff recommends that the City declare this property as Surplus Land and begin the disposition process as outlined in the Act. These steps include: 1) City declaration of the property as Surplus Land, 2) Issuance of a Notice of Availability (60 days), and 3) Negotiate with respondents in good faith in an attempt to reach an agreement on price and terms (90 days).

Following the conclusion of the NOA process, including review of the process by the State’s Housing and Community Development Department (HCD) and issuance of a letter of conformance with the Act by HCD, the City is not required to dispose of the property. However, if the property is later developed as a housing development having 10 or more units, then 15% of those units must be restricted as affordable units for lower income households.

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 declaring that the Property is surplus land, 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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City Manager's Office

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Approved by:



MIGUEL MÁRQUEZ
City Manager

Attachment – Resolution Declaring 450 North Lake Avenue as Surplus Land