SUBJECT: Determine Process for the Sale of City-Owned Residential Properties Adjacent to Murphy Park Located at 239, 263 and 279 Jackson Street

BACKGROUND
The City Council authorized the City Manager to sell three City-owned properties adjacent to Murphy Park located at 239, 263 and 279 Jackson Street at a time when the housing market improved. The City acquired these parcels with the intent to expand Murphy Park. The housing market has improved and this report is to provide Council options for sale of the three City-owned parcels.

On March 22, 2005, a study session was held to provide City Council an overview of City-owned properties and the current landbanking practices at that time. City Council directed staff to review the status and need of several City-owned properties, including the Jackson Street properties. This review was included as part of the Parks of the Future Study.

On July 14, 2009, City Council considered the Parks of the Future Study that addressed Sunnyvale's parks and open space needs for the next twenty years (RTC 09-183). The study, related to the City-owned properties on Jackson Street, was to evaluate how well these properties met the open space priorities and to determine if they were still needed for expansion of Murphy Park. At the meeting, Council authorized the City Manager to sell the Jackson Street properties at a future time when the housing market improved (Attachment A - July 14, 2009 meeting minutes page 13).

EXISTING POLICY
Fiscal Policies - 7.1D Land Policies
D.1.4 The purchase, sale or lease of real property where the purchase or sale price or lease cost is more than $75,000, per the Sunnyvale Municipal Code, shall be approved by the City Council.

General Plan, Housing Element:
Provision of New Housing
Goal A - Assist in the provision of adequate housing to meet the diverse needs of Sunnyvale’s households of all income levels.
Housing Conservation and Maintenance:

Goal B - Maintain and enhance the condition and affordability of existing housing in Sunnyvale.

2010-15 HUD Consolidated Plan

Goal A - Affordable Housing - Assist in the creation, improvement, and preservation of affordable housing for lower-income and special needs households.

**DISCUSSION**

The current housing market is on an upward trend providing an opportunity to sell the Jackson Street properties as authorized by Council. A review of recent property sales similar in size and space to those on Jackson Street shows the current market rate value for 239 and 279 Jackson Street (two bedroom homes) is approximately $460,000, and the market rate for 263 Jackson Street (three bedroom home) is approximately $520,000. The estimated sale prices quoted includes a 10% reduction due to the condition of the homes. Total estimated one-time net revenue gain which could be used to fund other park and open space priorities would be approximately $1,352,400. An appraisal of each property will be done to confirm current market rate values.

The City Council can declare the City-owned residential properties located at 239, 263, and 279 Jackson Street as surplus property by Resolution and Authorize the Sale of the Property Pursuant to Government Code Section 54222 (Attachment B). Approval of the Resolution will allow commencement of a public notification process as detailed further in the resolution.

Alternatively, Habitat for Humanity of Silicon Valley, which has been actively seeking sites in the City for a potential affordable homeownership project for several years, has expressed an interest in the City-owned Jackson Street homes. Habitat wants to acquire and rehabilitate these homes for resale to lower-income, first time home buyers consistent with the Habitat model of self-help home buyer housing. This could be a viable project and an important addition to the City's affordable housing stock, if the Council wishes to consider an affordable housing use of these properties as an alternative to a surplus property sale. Under this option the properties would still be sold at market rate values and Habitat could get financial assistance from the City's Housing Fund to purchase the homes, subject to City Council approval.

It is extremely difficult to provide home ownership opportunities to very low and lower income households, and Habitat is one of the only organizations in the country which has a long and successful track record of achieving this goal. Completion of a project of this type would provide three families with the
ability to become homeowners in Sunnyvale, near their place of work, and would help the City make progress toward meeting its housing element goals of increasing the stock of units affordable to lower income households.

**FISCAL IMPACT**

The total sale price for the three homes is estimated to be $1,440,000; however, real estate agent fees and appraisal costs are expected to reduce the total sale income by approximately $87,600, resulting in net proceeds of $1,352,400. Per Council’s action at the budget adoption on June 19, 2012, the proceeds from the sale of these properties were removed from the budget, so the long-term financial plan for the Park Dedication Fund does not reflect revenue from the sale of these properties.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

Tenants of the City-owned Jackson Street properties were informed of the proposed action and provided notice of tonight’s public hearing.

**ALTERNATIVES**

1. City Council declare by resolution the three City-owned parcels adjacent to Murphy Park located at 239, 263 and 279 Jackson Street as surplus property for sale; and the one-time revenue gain be realized in the Park Dedication Fund for other park and open space priorities.

2. City Council to direct staff to begin negotiations for sale of the Jackson Street properties for public purpose with Habitat for Humanity, an affordable housing agency; and, to bring the Habitat proposal to acquire and rehabilitate these homes for resale to lower income home buyers to Council for consideration as soon as possible.

3. Other action as determined by Council.
RECOMMENDATION
City Council to direct staff to proceed with sale of the properties by selecting the specific type of sale from these alternatives:

1. City Council declare by resolution the three City-owned parcels adjacent to Murphy Park located at 239, 263 and 279 Jackson Street as surplus property for sale; and the one-time revenue gain be realized in the Park Dedication Fund for other park and open space priorities.

2. City Council to direct staff to begin negotiations for sale of the Jackson Street properties for public purpose with Habitat for Humanity, an affordable housing agency; and, to bring the Habitat proposal to acquire and rehabilitate these homes for resale to lower income home buyers to Council for consideration as soon as possible.

Reviewed by:

Kenton Steffens, Director, Public Works
Prepared by: Christina Uribe, Administrative Aide

Reviewed by:

Hanson Hom, Director, Community Development

Reviewed by:

Grace Leung, Director, Finance

Approved by:

Gary M. Luebbers
City Manager

Attachments
A. Excerpt of Council meeting minutes of July 14, 2009 (see page 13)
B. Resolution declaring Jackson Street properties owned by the City as surplus property for sale
Public comment opened at 7:41 p.m.

No speakers.

Public comment closed at 7:41 p.m.

MOTION: Vice Mayor Moylan moved and Councilmember Swegles seconded a motion to approve continuation of public hearing Item #2 until the meeting of August 11, 2009.

VOTE: 7-0.

3. **MOTION**

   **Consideration of Parks of the Future Study**

   **RTC 09–183**

   Director of Community Services David Lewis presented the staff report.

   Vice Mayor Moylan requested a summary of the areas where staff disagrees with the consultant's recommendation.

   Jenny Shain, Casual Manager/Special Projects, responded the City disagrees about selling the park, but agrees about keeping the park site housing. The City has not completely agreed regarding the entire proposed park system. The City has not taken the capital project listing in its entirety and has made changes as it moves forward.

   Councilmember Whittum asked how rigid the design guidelines might be later. There are three areas in the proposed park system map that have no plan listed for them: the Full Circle Farm, a canal in the eastern part of the city, and also a portion of the Stevens Creek area. Councilmember Whittum asked if the fact that they're not showing on the map precludes the Council from later looking at actions for park space in the future.

   Director of Community Services Lewis responded the Council could look at these areas for park space in the future even though they are not in the proposed system map.

   Councilmember Whittum asked if the privacy and seclusion of the northeast corner of Murphy Park is a problem in terms of homeless and other activity there, and how that would be resolved with the staff recommendation to sell parts of Murphy Park and Orchard Gardens.

   Director of Community Services Lewis responded that is an unused amenity that is used infrequently by the Boy Scouts and more often by people doing things they shouldn't and they would suggest it be looked at in the future. Whether landscaping or redesign of the site, the cost benefit ratio of the alternative would have to be weighed, whether to sell or keep the houses. In that case the City would have to buy four more houses to add to the three that are interspersed in the seven to make it a continuous strip that could be added to the back of the park.

   Councilmember Whittum asked if it is necessary that the entire strip be park in order to provide access to the northeast corner of Murphy Park.

   * Approved by Council July 28, 2009*
Director of Community Services Lewis responded that it is only necessary to have open access, but he is not sure which of the houses that is.

Councilmember Whittum verified with Director Lewis that if the City wants to make park improvements or provide more parks, it would be necessary to raise the park dedication fees, as the current fees only pay for infrastructure and rehabilitation.

Director of Community Services Lewis confirmed other than grants, park dedication fees fund their entire project list. Raising the fees would bring in additional revenue, but that would have to be contrasted against the dollar amount projected in the un-funded projects.

Public comment was opened at 7:52 p.m.

Parks and Recreation Commission Chair Jim Colvin indicated the Commission met June 24, 2009 to discuss the Parks of the Future Study and by unanimous decision, recommend to the Council that the study be accepted with Alternatives 1-16 with an emphasis on Alternatives 1, 10, and 15.

Councilmember Hamilton asked if there was any discussion about selling the park site housing during the June 24th meeting, and requested a summary.

Parks and Recreation Commission Chair Colvin responded there was extensive discussion, including would the City benefit from selling in a down economy or whether the City should hold onto the property until a later date when more revenue could be generated and then consider alternatives to park shaping.

Harriett Rowe stated she supports Councilmember Hamilton's fight to hold onto the houses adjacent to Murphy Park. Although statistically it doesn't change the rating of the park, she would like the City to keep the three houses, add them to the park, and perhaps buy more houses in the future when money is available.

Jim Griffith pointed out a contradiction in the report in that it says it will be difficult for the City to meet its need for parks because land is expensive and difficult to find, but it also says the City is going to sell some of the land it has. The City should be very careful in giving up land because it will be difficult to get land back later.

Public comment was closed at 7:56 p.m.

MOTION: Councilmember Swegles moved to go with Staff's recommendations to approve Items 1-16 of the 21 alternatives, including:

- Adopt a 5.34 acres per 1,000 residents of Level of Service (LOS).
- Amend the Open Space and Recreation Sub-Element to include design and development guidelines for all park types.
- Increase park dedication and in-lieu fees from 1.25 to 3.0 acres per 1,000.

With modifications:

- Remove Item 2.
- Defer selling Orchard Park to a time when there is more equitable or higher value on the properties.
- Hold off on selling the Murphy Park housing immediately. Council is willing to sell,
but not at this time.

- Item 15: due to the economy direct staff to prepare an amendment to the Sunnyvale Municipal Code relating to presenting a phase-in of the recommendation to facilitate the 3.0 acres per 1,000 population standard from the current standard of 1.25, and direct Staff to work with Council in regard to the phase-in.

Director of Community Services Lewis asked if Councilmember Swegles had a preferred number to begin the phase-in for the ordinance when it comes back for initial consideration.

Councilmember Swegles stated they should look at what is going on around them.

Councilmember Howe seconded the motion and offered a friendly amendment for Item 3 and Item 4: to leave to the discretion of the City Manager as to when to sell the properties and for the City Manager to inform the Council each year annually through the budget process until it is done.

Councilmember Swegles accepted the amendment.

Councilmember Howe offered a friendly amendment for Item 15 to see the effectiveness of the ordinance increase the current standard of 1.25 acres per 1,000 population to 1.75, increase to 2.25 at the Fiscal Year 2010-2011, to increase to 2.75 at the Fiscal Year 2011-2012, and increase to 3.0 at the Fiscal Year 2012-2013.

Councilmember Swegles accepted the amendment.

Councilmember Howe offered a friendly amendment that it would be effective on that date for properties that do not have an occupancy certification; if they haven’t been signed off by that date it goes to the higher number.

City Attorney Kahn responded that generally the vesting of property rights is upon the completion of the application and they could come up with a cut-off criteria rather than the occupancy permit, but they can set a standard for when the new standards would take effect.

Councilmember Howe recommended the City Attorney’s suggestion that it be effective on the completion of the application on those deadline dates.

Councilmember Swegles accepted the amendment.

Councilmember Hamilton stated she would not support the motion as these are the two issues that are deal breakers for her.
  - She would not remove Item 2 because if staff is including that recommendation to identify the Morse site as a high-priority site, even if it is already a high-priority site, she doesn’t mind being redundant.
  - She is opposed to selling the park site housing, because while the City would raise money now it would lose the land forever. The Orchard Gardens site especially should not be sold, because although the houses back up to a park building, if the City raises the park number to 3.0 acres per 1,000 the City will get more than twice as much funding as now and at some point that park will need to be renovated.

* Approved by Council July 28, 2009
Councilmember Hamilton stated she thinks those houses should be taken out to open it up, that that is an area underserved by parks and the addition of three houses would be a benefit to that area.

- The Murphy Park site is the same: it would make a park that would be open on three sides and bounded on Central Expressway on the fourth side, which would be a much bigger benefit to the community. She stated that it cannot be done now, but the City has owned those houses for nearly 30 years, and question what the sudden rush is to sell to them now. The City Council provides services and isn't supposed to always go for the finances. She stated that the consultants got it right and she believes selling those houses is a huge mistake.

- Regarding phasing in the 3.0 acres per 1,000 population, Councilmember Hamilton believes that is a huge mistake and cited Director of Community Services Lewis' comment in the study session that the City is decades behind what other cities have been doing and has a huge parkland deficit as a result. She stated sees no reason to not remedy that right now. She does not believe the reason there is no development now is related to the park space issues. She stated the City desperately needs park space and needs to get it while possible. Phasing over three years will cost the City even more park space, so she cannot support anything that doesn’t bring it up to 3.0 acres per 1,000 right now.

Councilmember Whittum stated he will oppose the motion and asked to:
- Strike Item 3 and Item 4.
- Keep Item 2.
- Strike the edict to sell Orchard Gardens and Murphy Park.

Councilmember Whittum explained Murphy Park is close to transit and where there will be more density and believes it is a blunder in planning to sell the space and it is also a blunder in terms of the layout of the park, because the privacy in the northeast corner is not good for the use of the park. Councilmember Whittum stated a similar situation pertains to Orchard Gardens. One of the reasons the City has not been spending park dedication fees to dedicate parks is that the fees are used for infrastructure, to fix park building groups. The park dedication fees are used to balance the budget because the largest cost, 95% personnel costs, are out of control. Councilmember Whittum stated he believes to find a nexus between the development and the need for a park is the most logical and direct way. He stated he hopes the City will find consensus that can be used to expand park space, because he believes the public wants more park space.

Councilmember Chu asked of staff that if the rate is phased from 1.25 acres to 3.0 acres what that would do to Item 16, which is to explore the feasibility of expanding a further nexus in a future setting.

Director of Community Services Lewis responded his understanding is it can’t go above 3.0 until it has been at 3.0, so in terms of Item 16, which directs staff to do the nexus study and do research to come back to raise it above 3.0, would be rendered moot until the 2012-2013, or whenever 3.0 is reached.

Councilmember Chu offered a suggestion to the maker of the motion that Item 3, Item 4, and Item 15 be taken as a separate vote from the remaining non-controversial items.

* Approved by Council July 28, 2009
Councilmember Swegles responded Item 3 and Item 4 are to direct staff to not sell the property at this time and at the City Manager's discretion to look at it at a future time. It would have to come to Council to allow the property to be sold. It is basically as Councilmember Whittum wanted, not going forward with the sale but postponing it until the market is better. Regarding Item 15, Councilmember Swegles stated he doesn't see the difference whether it is a phase-in now or a phase-in by itself.

Vice Mayor Moylan offered a friendly amendment for Item 3 and Item 4 not to "direct" staff to sell those two housing areas, but to "authorize" staff to sell those at such time as the market has rebounded, based on the possibility that someday those houses could all become owned by the City at City expense and the park could be expanded versus the possibility that they could be sold and the money could be used for parks and recommended use. Vice Mayor Moylan believes the probability of the first circumstance happening is zero and doesn't believe the City will ever own all the properties and it will never turn into a park, and even if it did, it would cost money to do it, whereas if they are sold when the market rebounds, then they can actually do something with it.

Councilmember Swegles accepted the amendment.

Vice Mayor Moylan offered a friendly amendment to change the schedule to increase to 3.0 acres as of July 1, 2010. He stated that the argument against jumping up to 3.0 acres right now is a concern about deterring development, but if the fact that the City's mitigation fee is so far below everyone else is influencing development, then development would be going on in Sunnyvale right now that is not happening elsewhere, and that is not the case. He stated that in case that analysis is flawed one can imagine the possibility of saying this mitigation is going to go up to 3.0 acres in one year and alerting developers they have one year left to do a cheap development in Sunnyvale and see if that has an effect.

Councilmember Swegles stated he would be willing to look at reducing the number of years, phasing it in quicker and increasing to 3.0 acres effective July 2, 2011.

Vice Mayor Moylan assented to Councilmember Swegles' modification to phase in the increase to 3.0 over two years.

Councilmember Hamilton requested clarification from Vice Mayor Moylan on his suggestion. The City does not own all the houses on Murphy Park and does own all the houses on Orchard Gardens, but Vice Mayor Moylan's rationale is the City can't acquire the other houses.

Vice Mayor Moylan responded Councilmember Hamilton is right, that applies only to Murphy Park.

Councilmember Chu made and Councilmember Whittum seconded a Formal Amendment to remove Item 3 and Item 4 from the motion, the rationale being that land is difficult to obtain and open space needs to be preserved. Councilmember Chu stated he doesn't believe the amount of money generated from the sale of the properties will be significant enough to sacrifice the open space and encouraged the Council to support retaining the housing for a future time.

* Approved by Council July 28, 2009
Councilmember Hamilton requested Item 15 also be removed as part of the Formal Amendment.

Councilmember Chu stated those are two different issues and Councilmember Hamilton’s request to remove Item 15 could be another Formal Amendment.

Mayor Spitaleri stated his understanding is the recommendation is not to sell the housing now but to authorize the sale in the future when the value may be higher. Mayor Spitaleri verified with Councilmember Chu whether it is his feeling that if this motion is passed the houses will be sold immediately.

Councilmember Chu responded no, his feeling is the City should preserve land it has adjacent to parks for future park use and doesn’t think they should give up that right now or any time in the future.

Councilmember Howe spoke regarding the original motion and the Formal Amendment.
- He stated he believes unless the City uses eminent domain, the City will never get the remaining four houses on Murphy Park. The three houses the City is holding onto are zero profit on the rental portion of them and the City has to maintain them to meet standards others do not.
- Orchard Gardens is blocked by the three properties. The Director of Community Development said in the study session if the three houses are taken out and have another building there that blocks it, you have the same problem, so the City is not improving that, yet the Director said the new park over there is less than a quarter mile from Orchard Gardens. The rent that came from the buildings helped fill the City’s budget gap, but this year that is being taken out. A complete park is being put in over there and the funds that would be coming from some of these houses potentially could improve that park so it becomes a good regional park instead of one in place where there shouldn’t be one to start with.
- He stated the idea behind not selling the properties on Morris Avenue and Murphy Park is a bad one. Councilmember Howe stated doesn’t have a problem with taking one fiscal year off, but loans are difficult to get today and what the City is doing is increasing the fees on development during the biggest recession since 1929 and it doesn’t make financial and economic sense to hang onto these houses.

Councilmember Hamilton inquired of the City Manager as to when the last time the City made any attempt to talk to the property owners living in the four houses at Murphy Park and what have there responses been.

Director of Public Works Marvin Rose responded the property manager in Public Works makes contact with the property owners on those parcels every year to let them know the City is interested if they contemplate putting those properties on the market. Their responses to date are they are not interested in selling.

Councilmember Hamilton clarified the Formal Amendment is simply to remove Item 3 and Item 4 from the original amendment.

*Approved by Council July 28, 2009*
Councilmember Whittum stated he will support the Formal Amendment to strike Item 3 and Item 4:

- He stated the quarter mile distance is actually the east most portion of Orchard Gardens and the area in question is actually about a half-mile walk from Orchard Gardens to Morris Park.
- The assessor's data shows that one of the homes on Murphy Park sold in the last year or two.
- It's not necessary to have all the homes on Murphy Park to improve the access to the northeast corner. One of the key problems with Murphy Park is there is a corridor between the NexCycle on Maude Avenue and Murphy Park and people take recyclables to NexCycle to get income and buy liquor at the liquor store and then they go back to Murphy Park. If Murphy Park were opened up a little more by demolishing one or two of the properties the City owns it would be a much more friendly and usable park and would be an excellent and appropriate investment in an area where density is on the rise.

VOTE on FORMAL AMENDMENT: 3-4 (Councilmember Swegles, Vice Mayor Moylan, Mayor Spitaleri, and Councilmember Howe dissented.)

Formal Amendment failed.

Councilmember Whittum offered a friendly amendment to add back Item 2 to the main motion to identify the Morse Avenue site as a high priority for development as a neighborhood park.

Councilmember Swegles stated the Director of Community Development didn't feel Item 2 needed to be there.

Director of Community Services Lewis clarified that to his knowledge the project is going forward and it has been identified and been approved in the budget, so adding back Item 2 is only adding additional support.

City Manager Gary Luebbers stated the City has money in the budget this year to begin development of that park. Identifying the Morris Avenue site as a high priority has come and gone and the City has gone to the next step. He reiterated Director Lewis' statement that Item 2 in the main motion would only be another statement of support.

Councilmember Swegles accepted the friendly amendment. Councilmember Howe accepted as the maker of the second.

Councilmember Chu clarified on Item 15 that what is now proposed on the fee schedule is that it goes up to 1.75 with effective date of the ordinance, and then the next fiscal year it goes up to 2.25, and then the following fiscal year it goes up to 3.0.

Vice Mayor Moylan stated it was a friendly amendment, except that that brought it up to 3.0 at the same time that the original one said 2.25.

Councilmember Chu responded actually it goes up to 3.0 at the time that it previously said 2.75.

* Approved by Council July 28, 2009
Councilmember Howe clarified the effective date is when the application is complete by those deadlines.

Councilmember Whittum clarified 1.75, in Fiscal Year 2010 2.25, and then 3.0 in Fiscal Year 2011, and stated he will oppose that and believes they need to go to 3.0 now. He stated that is asking for development to pay as it goes and pay for its own impacts and believes there would be widespread public support for that.

Councilmember Hamilton stated they are talking of bringing more development into the City but are not putting a commensurate amount of park space in and the City needs to get it to 3.0 as soon as possible, something developers are doing in every other city around here. Councilmember Hamilton believes the citizens of Sunnyvale want more park space and the City should give it to them as soon as possible.

Councilmember Chu stated he would normally agree it should be brought up to 3.0 immediately, except for the fact we are in the deepest recession in 40 years and the City needs to be able to jump start development, so he agrees with the phased-in approach at this time to create incentives to get development sooner rather than later.

MAIN MOTION in summary: Approve staff’s recommendation to approve Alternatives 1-16, with the following modifications:

- Item 3 and Item 4: Authorize the City Manager to sell the properties at a future time at the City Manager’s discretion when the market improves; direct the City Manager to inform Council annually through the budget process the status of properties; the matter is required to come back before Council.
- Item 15: Direct staff to phase-in the standard increase as follows: 1.75 acres per 1,000 population as soon as practical; increase to 2.25 as of July 1, 2010; increase to 3.0 acres as of July 1, 2011; direct staff to use the standard that correlates to the standard in effect at the date of the completion of the application.

VOTE ON MAIN MOTION: 5-2 (Councilmembers Whittum and Hamilton dissented.)

4. MOTION RTC 09–179 Consider Approval of an Amendment to Action Plans for Fiscal Years 2004-08; Approval of Conditional Commitment of a $1.3 Million Loan of HOME Funds for Rehabilitation of Aster Park; and Approval of Budget Modification No.1

Director of Community Development Hanson Hom presented the staff report.

Public comment opened at 8:32 p.m.

No public speakers.

Mayor Spitaleri called for the applicant to speak.

Director of Asset Management for Mid-Peninsula Housing Todd Marans introduced himself to the Council.
RESOLUTION NO. ______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE
DECLARING CITY—OWNED PROPERTIES AT 239 JACKSON STREET, 263
JACKSON STREET AND 279 JACKSON STREET AS SURPLUS AND
AVAILABLE FOR SALE PURSUANT TO GOVERNMENT CODE §54222, et seq.

WHEREAS, the City of Sunnyvale owns that certain real property at 239 Jackson Street, 263 Jackson Street and 279 Jackson Street; and

WHEREAS, these properties are no longer needed for public purposes and available for sale; and

WHEREAS, staff has recommended that these properties be offered for sale for a period of sixty (60) days to affordable housing sponsors, park districts and public school districts pursuant to Government Code §54222, et seq.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. The real property located at 239 Jackson Street, 263 Jackson Street and 279 Jackson Street, Sunnyvale, CA, is no longer required for City use and is hereby declared not necessary for the City’s needs; and

2. Staff is authorized to offer these properties for sale for a period of sixty (60) days to affordable housing sponsors, park districts and public school districts pursuant to Government Code §54222, et seq; and

3. If an offer or offers are received, The City Manager or his designee is authorized to negotiate in good faith for the 60-day additional statutory period on price and terms for purchase of these parcels. If no offer is received, or no sale price and terms are mutually agreed upon, the City may then offer the property for sale in the open market.

4. This Resolution shall take effect immediately upon its adoption.

Adopted by the City Council at a regular meeting held on ______, 2012, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:                     APPROVED:

__________________________  ______________________
City Clerk                           Mayor
(SEAL)

APPROVED AS TO FORM AND LEGALITY:

______________________________
Michael D. Martello, Interim City Attorney