



CITY OF NOVATO
CALIFORNIA

DISPOSITION OF CITY-OWNED PROPERTIES

CITY COUNCIL MEETING – SEPTEMBER 22, 2020



OVERVIEW

- Discuss the potential disposition (“sale”) of city owned properties
- Declare certain properties as “Exempt Surplus” or “Surplus”
- Consider consolidation of parcels that comprise 1523 South Novato Blvd.
- Discuss the issuance of RFPs for the sale/lease of the site of the former Hamilton Bachelor Officer's Quarters, Officer's Club, Gymnasium, and adjacent parking lot area.



BACKGROUND

- February 11, 2020: Council discussed options for creating new revenues
- Staff were directed to explore the possible sale of underutilized City-owned properties to generate one-time funds
- Disposition process was changed by AB1486 in October 2019:
 - Properties must be declared “Surplus” or “Exempt Surplus” by City Council
 - Surplus properties must be offered first for housing, parks, open space, or school district use before they can be sold on the open market unless they are exempt

DISPOSITION PROCESS

1. City Council declares properties “Surplus” or “Exempt Surplus”
2. Planning Commission must report GP consistency findings to Council
3. City sends availability notices of non-exempt surplus properties for housing, park or open space purposes, or for school facilities
4. Potential buyers of non-exempt surplus property have 60 days to notify the City of their interest
5. City and potential buyers must enter into negotiations for at least 90 days for the terms of a Purchase and Sale Agreement
6. If no agreement is reached, property may be disposed of on the open market (but 15% of any future residential development of 10+ units must be affordable—NMC already has 20% requirement)
7. City Council approves any final Purchase & Sale Agreement and authorizes execution of agreement.

WHAT PROPERTIES ARE EXEMPT?

ABI 486 provides for several exemptions—some are complex. Examples of major exemptions:

- Land that was county-owned and transferred for affordable housing;
- Surplus land that a local agency is exchanging for another property necessary for the agency's use;
- Surplus land that the agency is transferring to another local, state, or federal agency for the agency's use;
- Surplus land that is a former street, right of way or easement, and is conveyed an adjacent owner;
- Surplus land that is put out to bid by a local agency for either:
 - A housing development with 100% households low/moderate income and >75% restricted to lower income
 - A mixed use development >1-acre with >300 housing units with >25% lower income residential units
- Real property that is used by a district for agency's use;
- Land that has been transferred before June 30, 2019 by the state to a local agency

CITY PROPERTIES FOR CONSIDERATION

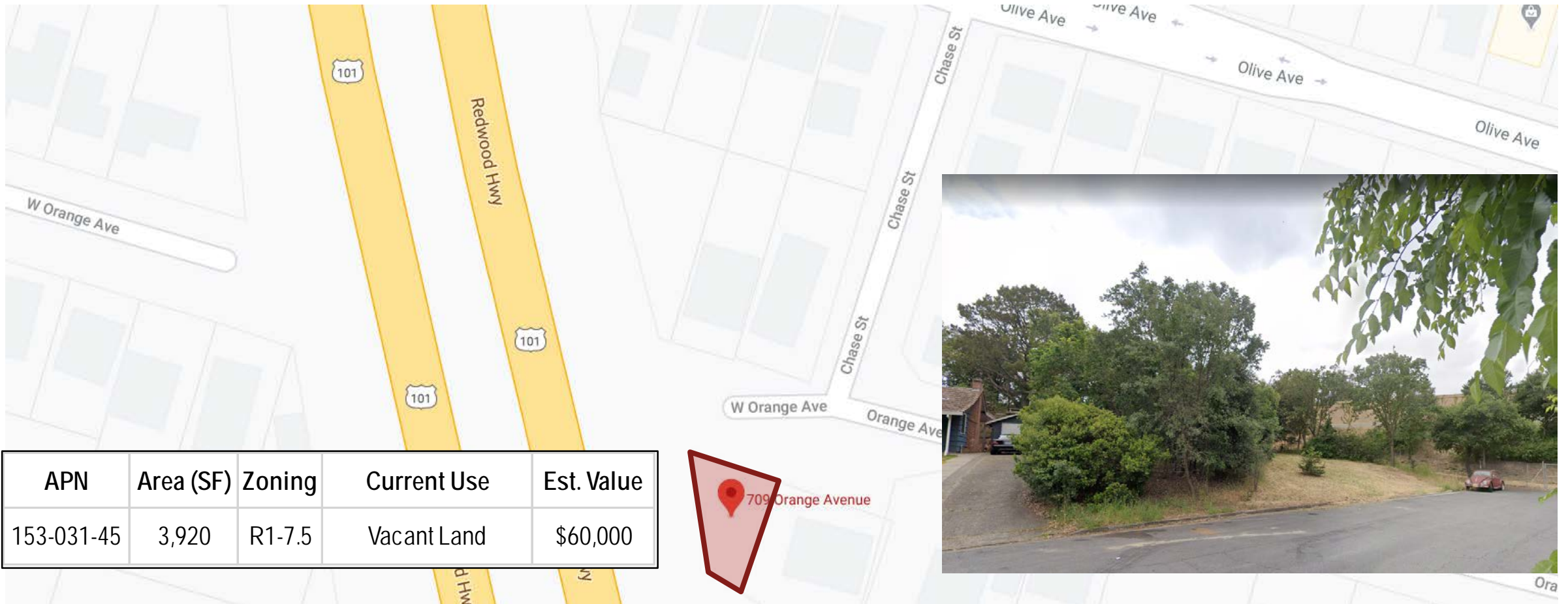
APN	Address (if assigned) & Description	Area (SF)	Zoning	Current Use	Est. Value
153-031-45	709 Orange Ave. (former Caltrans right-of-way "RoW")	3,920	R1-7.5	Vacant Land	\$60,000
153-023-01	709 Olive Ave. (former Caltrans RoW)	5,227	R1-7.5	Vacant Land	\$80,000
140-211-04	1523 S. Novato Blvd. (RoW parcel 1 of 4 for Hill Rd. ext.)	14,810	PD	Vacant Building	\$530,000
140-291-14	1523 S. Novato Blvd. (RoW parcel 2 of 4 for Hill Rd. ext.)	6,534	PD	Vacant Building	(inc. above)
140-291-15	1523 S. Novato Blvd. (RoW parcel 3 of 4 for Hill Rd. ext.)	871	PD	Vacant Land	(inc. above)
140-291-24	1523 S. Novato Blvd. (RoW parcel 4 of 4 for Hill Rd. ext.)	12,632	PD	Vacant Land	(inc. above)
157-690-53	Hamilton Bachelor Officer's Quarters, Officer's Club, & Gymnasium	401,623	PD	Gymnasium & Vacant Bldgs/Land	\$6,915,000
157-690-37	Old Hamilton Gymnasium Northeast Parking Lot Area	33,977	PD	Parking Lot	\$585,000

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709 ORANGE AVE. (APN 153-031-45)

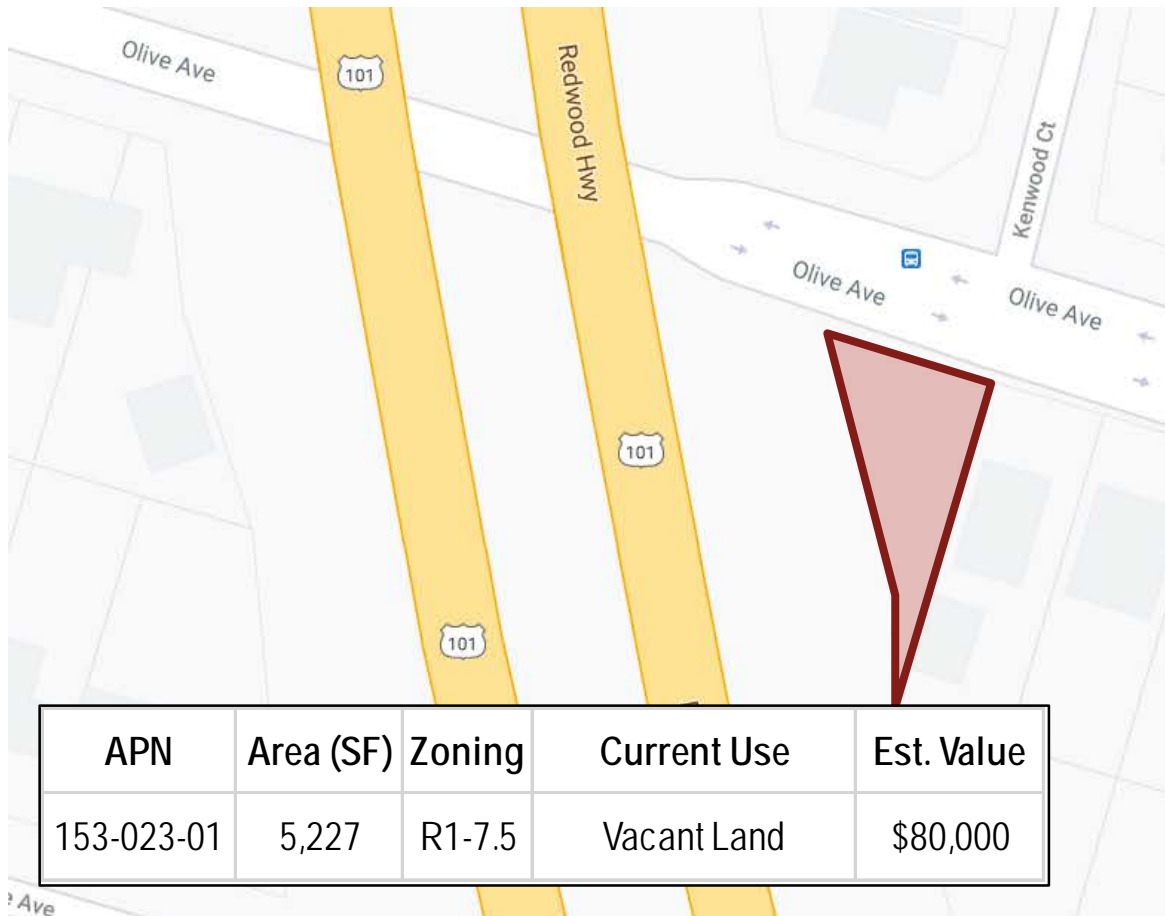
Recommendation: Declare “Exempt Surplus,” offer for sale exclusively to adjacent land owner



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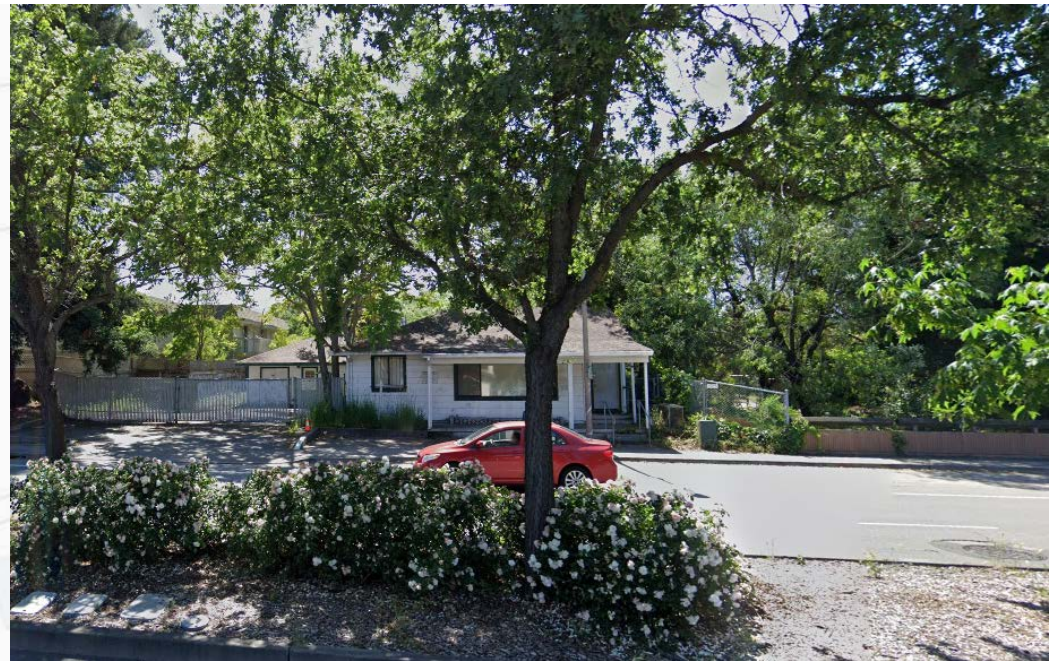
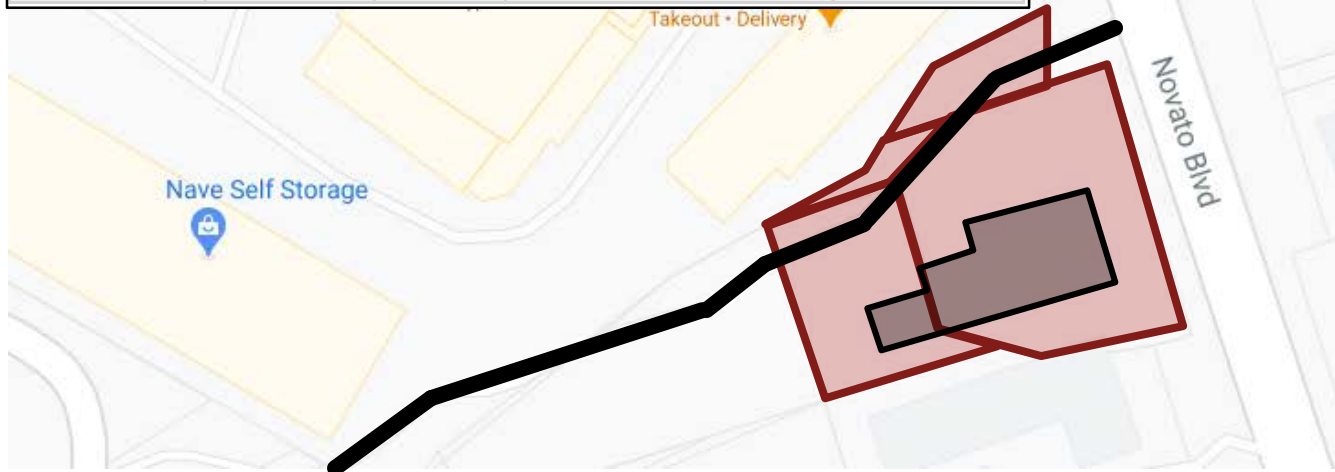


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1523 S. NOVATO BLVD. (APNS 140-211-04, 140-291-14, 140-291-15, 140-291-24)

Recommendation: Direct staff to consolidate parcels, address pathway & creek maintenance

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140-291-14	6,534	PD	Vacant Building	(inc. above)
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HAMILTON BOQ, OFFICER'S CLUB, & GYM

- Three structures & parking lot on two APNs: 157-690-53 & 157-690-37
- BOQ, Officer's Club, and gym parcel is ~9.22 acres, zoned PD, \$6.9M est.
- Parcel with gymnasium parking lot is ~0.78 acres, zoned PD, \$585K est.
- Feb. 27, 2018, Council directed staff to issue RFP for sale/lease of this property
- Delay in RFP due to required Parcel Map processing
- More info at: novato.org/hamiltonflp



HAMILTON BOQ, OFFICER'S CLUB, & GYM

Recommendation: Declare "Surplus," direct staff to finalize & issue RFP for sale/lease



TONIGHT'S REQUEST

- Declare 709 Orange Ave. “Exempt Surplus” & offer for sale to adjacent owner;
- Declare 709 Olive Ave. “Exempt Surplus” & offer for sale to adjacent owner;
- Direct staff to consolidate the parcels that comprise 1523 South Novato Blvd.;
- Declare Hamilton Bachelor Officer's Quarters, Officer's Club, Gymnasium, and adjacent parking lot area parcels “Surplus”; and
- Direct staff to finalize and issue RFPs for sale/lease of the Hamilton properties





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QUESTIONS?

