

# COUNTY-WIDE SUCCESSOR AGENCY OVERSIGHT BOARD OF YOLO COUNTY

## Staff Report – Item #10

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**TO:** County-Wide Successor Agency Oversight Board of Yolo County

**FROM:** Fred Arnold, Real Property Manager, City of West Sacramento Redevelopment Successor Agency

**SUBJECT:** Consideration of Oversight Board Resolution 2024-05 authorizing the Executive Director of the West Sacramento Redevelopment Successor Agency (“Successor Agency”) to sell the 485 Lighthouse Drive, and 2400 & 2600 West Capitol Avenue parcels in accordance with the approved Long-Range Property Management Plan (LRPMP)

**DATE:** January 24, 2024

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### **OBJECTIVE:**

This report facilitates the Oversight Board’s consideration of a request for delegated authority to sell three vacant Successor Agency-owned parcels located at: 485 Lighthouse Drive APN: 010-523-037, 2400 West Capitol Avenue, APN: 008-441-007, and 2600 West Capitol Avenue, APN: 008-450-016.

### **RECOMMENDATIONS:**

It is respectfully recommended that the County-Wide Oversight Board adopt OB Resolution 2024-05, authorizing the Executive Director to commence negotiations and sell three vacant Successor Agency-owned parcels located at: 485 Lighthouse Drive APN: 010-523-037, 2400 West Capitol Avenue, APN: 008-441-007, and 2600 West Capitol Avenue, APN: 008-450-016 to the City of West Sacramento in accordance with the Successor Agency’s Department of Finance-approved Long Range Property Management Plan (LRPMP).

### **BACKGROUND & DISCUSSION:**

The recommended action is part of the Successor Agency’s ongoing efforts to dispose of the former Redevelopment Agency’s real property, as required by the redevelopment dissolution legislation. The recommended action implements the LRPMP approved by the Oversight Board on October 10, 2013 and by the Department of Finance (DOF) on May 16, 2014. The LRPMP was updated by the Successor Agency and approved the Oversight Board and DOF in 2015 to facilitate the Sacramento-Yolo Port District’s acquisition of the Stone Lock properties. With the completion of that disposition, only three

properties remained on the LRPMP: one parcel located at 485 Lighthouse Drive that has the potential to be used, in part, for future road safety improvements and two vacant parcels on West Capitol Avenue that have the potential to accommodate affordable housing or mixed-use projects. (See Attachment 1 for parcel maps of the subject properties.)

### **ANALYSIS**

Currently the LRPMP directs the Successor Agency to sell these properties and distribute the proceeds to the taxing entities. City staff believes it is in the best interests of all parties for the City to purchase these three properties from the Successor Agency at Fair Market Value because: 1) they have potential future beneficial uses for the City and region as affordable housing; 2) the taxing entities will receive back a significant portion of the sale proceeds, making the acquisitions extremely cost-effective; and 3) this disposition course of action will expedite and complete the LRPMP wind down process, as well as the Oversight Board and DOF's review of the proposed sale and transfer of assets from the Successor Agency to the City.

### **ENVIRONMENTAL CONSIDERATIONS**

The City Council found that the proposed acquisitions by the City from the Successor Agency of 485 Lighthouse Drive, and 2400 and 2600 West Capitol Avenue are exempt from the California Environmental Quality Act (CEQA) under the Class 32 Categorical Exemption, pursuant to Section 15332 of the CEQA Guidelines. The Class 32 exemption applies to infill development that is consistent with the applicable General Plan, no more than five acres, that do not result in any significant impacts relating to noise, air quality, or water quality. These actions will permit the City the potential to construct future minor roadway improvements along Lighthouse Drive and to construct affordable housing along West Capitol Avenue. The eventual construction is projected to meet the requirements of Section 15332, and additional environmental review may be required as the project plans are developed over time.

### **BUDGET/COST IMPACT**

For 485 Lighthouse Drive, and 2400 & 2600 West Capitol Avenue, staff is seeking the Oversight Board's and DOF's approval of the City's acquisition of these properties with a purchase priced based on appraised fair market value. The appraisals were completed November 2023. The total cost impact for acquiring these three properties is \$1,310,000. At a joint meeting between the Successor Agency and West Sacramento City Council on December 6, 2023, funding was approved to purchase the aforementioned properties in the amount of \$1,310,000.

Attachments:

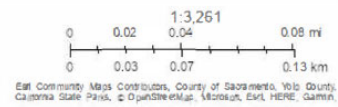
1. Parcel Maps
2. Resolution 2024-05

**Exhibit A**

2400 (APN 008-441-007) & 2600 (APN 008-450-016) West Capitol Ave.



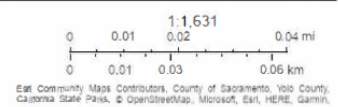
11/7/2023



485 Lighthouse Drive | APN 010-523-037



11/7/2023



**Exhibit B**

<b>Address</b>	<b>APNs</b>	<b>Acres</b>	<b>Zoning</b>	<b>Appraised Fair Market Value</b>	<b>2013 LRPMP Status</b>	<b>Existing or Proposed Government Use</b>	<b>2023 Recommended Process</b>
485 Lighthouse Drive	010-523-037	0.4	R-2	\$ 260,000	Sell and Distribute proceeds to taxing entities	Future 6th Street, Cummins Way and Lighthouse Dr connection	Update LRPMP as needed; Retain for future use through sale of the property to the City
2400 West Capitol Ave.	008-441-007	0.6	MU-C	\$ 550,000	Sell and Distribute proceeds to taxing entities	Future Affordable and/or Market Rate Housing	Update LRPMP if needed; Retain for future use through sale of the property to the City
2600 West Capitol Ave.	008-450-016	0.54	MU-C	\$ 500,000	Sell and Distribute proceeds to taxing entities	Future Affordable and/or Market Rate Housing	Update LRPMP if needed; Retain for future use through sale of the property to the City

**COUNTY-WIDE SUCCESSOR AGENCY OVERSIGHT BOARD OF YOLO COUNTY**

**RESOLUTION NO. 2024-05**

**WHEREAS**, pursuant to Resolution 12-7, adopted by the City Council of the City of West Sacramento on February 1, 2012, the City of West Sacramento (“City”) agreed to serve as the Successor Agency to the Redevelopment Agency of the City of West Sacramento (“Successor Agency”) commencing upon dissolution of the Redevelopment Agency of the City of West Sacramento (“Redevelopment Agency”) on February 1, 2012, pursuant to Assembly Bill X1 26; and

**WHEREAS**, Health and Safety Code section 34177(h) directs the City of West Sacramento as the Successor Agency (“Successor Agency”) to wind down the affairs of the former Redevelopment Agency; and

**WHEREAS**, the Successor Agency is the owner of properties in West Sacramento located at 485 Lighthouse Drive, APN 010-523-037, 2400 West Capitol Ave., APN 008-441-007, and 2600 West Capitol Ave., APN 008-450-016 (“Properties”) as shown on Exhibit A; and

**WHEREAS**, AB X1 26 required the creation of oversight boards to review and approve certain actions by the redevelopment successor agencies, acting as fiduciaries to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues;

**WHEREAS**, in 2018, pursuant to Health and Safety Code section 34179(j), the County-Wide Successor Agency Oversight Board of Yolo County (“County-Wide Oversight Board”) assumed the functions of the oversight boards in Yolo County (the County-Wide Oversight Board and its predecessors shall be referred to as “Oversight Board”); and

**WHEREAS**, on October 10, 2013, the Oversight Board adopted OB Resolution 13-15 approving the Long-Range Property Management Plan (LRPMP) and the dispositions recommendation contained therein which included the sale of the Properties to the City; and

**WHEREAS**, on May 16, 2014, the State of California Department of Finance (“DOF”) approved the Successor Agency’s LRPMP allowing the Successor Agency, as directed by the Oversight Board, to dispose of its assets; and

**WHEREAS**, on May 8, 2014, the Oversight Board adopted OB Resolution 14-2 approving changes to the disposition of the LRPMP recommendations and amending the adopted LRPMP; and

**WHEREAS**, on March 20, 2015, DOF approved changes to the LRPMP recommendations amending the adopted LRPMP; and

**WHEREAS**, the City and the Successor Agency desire to make changes to the adopted LRPMP to facilitate the City’s retention of the Properties from the Successor Agency through a sale of the Properties to the City at fair market value; and

**WHEREAS**, the City has determined that 485 Lighthouse Drive should be retained for future roadway improvement along Lighthouse Drive; and

**WHEREAS**, the City has determined that 2400 and 2600 West Capitol Avenue should be retained for future affordable and/or market-rate housing projects; and

**WHEREAS**, the City has prepared fair market value appraisals for the Properties based on the current zoning and highest and best use principles.

**NOW, THEREFORE, BE IT RESOLVED**, by the County-Wide Successor Agency Oversight Board of Yolo County, that:

1. The County-Wide Oversight Board finds that the foregoing is true and correct.

2. The sale of the subject LRPMP Properties, as presented to the Consolidated Oversight Board and attached to this Resolution, is hereby approved.
3. Staff is directed to transmit this Resolution to the County Administrative Officer, the County Auditor-Controller, the State Controller, and the State Department of Finance.
4. Staff is directed to comply with all other legal requirements, including, without limitation, as directed by the Successor Agency, County-Wide Oversight Board, and Department of Finance.

The foregoing Resolution was passed and adopted this 24<sup>th</sup> day of January 2024, by the following vote:

AYES:

NOES:

ABSENT:

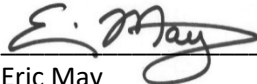
ABSTAIN:

\_\_\_\_\_  
Chairperson

Attest:

Approved as to Form:

\_\_\_\_\_  
Clerk

  
\_\_\_\_\_  
Eric May  
Oversight Board Counsel