

CITY MANAGER'S OFFICE

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CITY COUNCIL STAFF REPORT

Meeting: March 19, 2024

<u>Subject</u> Review city-owned properties.

Recommended Action

Review city-owned properties and provide direction to proceed with exploring rehabilitation and future use of the Stocklmeir site.

Reasons for Recommendation

The City Work Program identifies city-owned properties as a project for the current work program cycle. This report provides details on key city properties, with recommendations for next steps specific to several.

10301 Byrne Ave – The City acquired this property in 2017, with the primary goal of carving off some of the property for use as right-of-way to enable the future construction of bicycle and pedestrian access along San Fernando Ave. This has been accomplished and recorded with the County.

On July 6, 2023 the Council declared this property surplus to the needs of the City. In compliance with the California Surplus Lands Act, staff has offered the property for sale as a below-market housing site. The prescribed process is specific, requiring the City to negotiate in good faith for ninety days prior to looking for other interested parties. Should staff reach agreement with one of the two parties interested in the property for below-market housing, the agreement will return to the Council for consideration. Should no agreement be reached in this phase, staff will propose selling the property with the use of a real estate agent at market value.

10300 Torre Ave (Cupertino City Hall) – The City Council provided revised direction with respect to the City Hall facility on October 17, 2023. That direction included examining financing opportunities for a new or renovated City Hall as well as information on public-private partnerships and exploration of partnership opportunities with developers, with the intent of providing broad latitude to staff in presenting options. Staff continues to explore options at a pace in alignment with resolving the City's fiscal challenges.

10455 Torre Ave (Annex) – The City purchased this property in 2021 to serve as a public-facing facility with the assumption that City Hall would undergo a significant remodel or reconstruction. Staff developed a design for the facility to accommodate this use, and has placed the completion of that design on hold subsequent to the City Council providing revised direction on City Hall. Staff recommends holding this property until such time as the disposition of City Hall is finalized.

22050 Stevens Creek Boulevard (Blesch property) – This residential site was purchased in 2014 to complete the acquisition of that portion of the Stevens Creek Corridor. The purchase was made with Park In-Lieu Funds, restricting the use to parks and recreation. The building is in the immediate Regulatory Floodway of Stevens Creek, meaning the property is designed to flood in creek overflow conditions. Because of this, the structure is not a useable facility due to the risk to the facility and its contents.

Staff recommends incorporating this property into a planning process to provide enhanced access to the corridor, Stocklmeir property, and other city resources in the area, with the ultimate goal to demolish the structure on the property and repurpose the land to support the adjacent open space uses.

22120 Stevens Creek Boulevard (Stocklmeir property) – The Stocklmeir property also occupies space in the Regulatory Floodway of Stevens Creek, however the community's interest in the historic nature of the property, including the structures and the orchard, warrants a different approach.

Staff recommends conducting an initial evaluation to identify opportunities to protect the property from flood, including a cost of work associated with bringing the facility to a useful condition, and a community-based effort to identify future uses that support the historic nature of the property, including a fundraising plan to facilitate reconstruction costs and the outline of a plan for ongoing operations and maintenance of the site with one or more community partners.

Other City Properties – Attachment A provides a list of other City properties as a reference. Staff has reviewed each and does not propose exploring any of these properties for alternative use or as surplus.

<u>Sustainability Impact</u> No sustainability impact.

Fiscal Impact

Through the City Work Program, \$90,000 has been budgeted for the City Owned Properties item. These funds will be utilized for preliminary analysis of the Stocklmeir and Blesch properties. <u>California Environmental Quality Act</u> Not applicable.

<u>Prepared by</u>: Matt Morley, Assistant City Manager <u>Approved for Submission by</u>: Pamela Wu, City Manager

<u>Attachments</u>: A – City Owned Property List