



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 14, 2015

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Declaration Of Real Property Acquired For Cota And Mason Bridge Projects As Excess And Subject To Disposal By Public Auction

RECOMMENDATION:

That Council declare the real property located at 221 and 230 West Cota Street, 536 Bath Street, and 20 West Mason Street, as excess to the City's needs and authorize disposition of said property according to State and local guidelines by public auction, in accordance with Santa Barbara Municipal Code (SBMC) Chapter 4.28 and Section 520 of the Santa Barbara City Charter subject to the review and approval by the City Attorney.

DISCUSSION:

BACKGROUND

The properties located at 221 and 230 West Cota Street, and 536 Bath Street, were acquired as necessary right of way acquisitions for the Cota Bridge Replacement Project. The 20 West Mason Street property acquisition was necessary for the Mason Bridge Replacement Project. The properties were acquired due to their proximity to the respective bridge replacement demolition, new construction work, and anticipated damage as a consequence of this work. Council approved the property acquisitions for 221 W. Cota and 536 Bath Streets by resolution adopted April 9, 2013; 230 W. Cota Street on July 16, 2013; and 20 W. Mason Street on May 7, 2013.

The property at 221 West Cota Street is a duplex consisting of two small one bedroom units with front and back yards. The 230 West Cota Street property is a two bedroom one bath single family residence, as is the 536 Bath Street location. The 20 West Mason Street property is a two-story triplex consisting of a one bedroom, one bath unit, and a two bedroom, one bath unit downstairs with a larger two bedroom, two bath unit with front and back decks on the second floor.

It is intended that these properties be available for resale upon substantial completion of the bridge projects and any repairs or appropriate renovations to the properties as necessary for their sale. There is a significant timeline for the disposition process under City Charter Section 520, Municipal Code Chapter 4.28, and California Government Code

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Section 54222. Therefore, staff is recommending that Council now declare these properties as excess so that the property disposition process and eventual sales can coincide with the anticipated substantial completion date of the bridge projects. The Cota and Mason Bridges are scheduled for substantial completion in early 2016 and late 2016, respectively.

PROPERTY DISPOSAL PROCESS

Staff will follow all necessary procedures, including noticing to agencies, public noticing of auction, and the preparation and coordination of the execution of documents by authorized parties, as required. All actions will be subject to the review and approval of the City Attorney to dispose of the properties by public auction in accordance with SBMC Chapter 4.28 and Section 520 of the City Charter.

Pending any interest expressed by state or local agencies being noticed of the excess land sale, staff is proposing to offer the property for sale via the City's public auction process. The public auction process has been successfully used in several excess property sales related to previously completed bridge replacement projects, most recently in 2012 for the sale of the Haley/De La Vina, Ortega Bridge, and 20 South Milpas Street properties. It is intended that the auction will be advertised with a deadline designated for receipt of sealed bids by interested parties. Bid packages containing general information and disclosures about the property, including an established minimum bid, will be made available.

In addition to this process, staff will evaluate proposals from local realtors to list and market the properties using the Multiple Listing Service and all other resources available to professional real estate broker companies. This is intended to result in more exposure of the properties to the market and subsequently a larger number of parties bidding, with the expectation of maximizing the proceeds from the excess property sales.

The properties will be appraised and the selected realtor shall utilize the appraisal, their market analysis of comparable sales, and local market knowledge to establish the highest listing price for sale at the auction. This listing/offer price shall also establish the minimum opening bid amount. Staff is recommending the hiring of one realtor for the sale of all properties. Staff is scheduled to return to Council in October 2015. At that time, the property disposal bidding process will be described in more detail.

USE OF SALES PROCEEDS

Proceeds from the sale shall be deposited in a specified Public Works Department account, per Federal Highway Administration (FHWA) standards, for the City's match portion of funding for future City bridge replacement projects, eligible for funding under the FHWA Highway Bridge Program (HBP). The success of these efforts has enhanced the City's ability to finance its share of the FHWA HBP grant projects. The Cota Bridge Project was funded at 88.53 percent by FHWA leaving 11.47 percent to fund by the City. The

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Mason Bridge Replacement Project was funded at 100 percent for the real property and construction phases and 88.53 percent for the design phase.

ATTACHMENT(S): 1. Aerial map of property locations for Cota Bridge Project
2. Aerial map of property location for Mason Bridge Project

PREPARED BY: John Ewasiuk, Principal Civil Engineer/DT/kts

SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office

221, 230 W. Cota Street and 536 Bath Street properties to Declare Excess ATT 1



