# CITY OF OAKLAND

OFFICE OF THE CITY GLERY

AGENDA REPORT

2011 JUN 30 AM 11:48

TO:

Office of the City Administrator

ATTN:

P. Lamont Ewell, htterim City Administrator

FROM:

Community and Economic Development Agency

DATE:

July 12, 2011

RE:

An Ordinance Authorizing The City Administrator To Acquire Parcel

029A-1330-027-03 And Parcel 029A-1330-009-01 For Use As A Part Of

The Montclair Golf Course From The California Department Of

Transportation For \$25,000

#### **SUMMARY**

The City of Oakland (City) is proposing to purchase 1.5 acres of vacant land (*Exhibit A*, Assessor Parcel Numbers 029A-1330-027-03 and 029A-1330-009-01) from the California Department of Transportation (Caltrans) for \$25,000. The parcels are currently leased by the City as one property and utilized as part of the Montclair Golf course. On January 10, 2011, Caltrans forwarded a direct sale proposal to the City of Oakland Real Estate Division regarding the Caltrans property subject to the California Transportation Commission approval.

#### FISCAL IMPACT

Funds for the acquisition were obtained from two sources. The City received \$5,000 from the General Purpose Fund (1010) located in the Emergency Contingency Reserve Organization (90611), Miscellaneous Services Account (53719) in the CAO Contingency Funds Project (P404410). The City also received \$20,000 from the Telecommunications Land Use Fund (1770) located in the Real Estate Organization (88639), Land Fixed Asset Number Account (57116) in an Undetermined Project (0000000).

#### BACKGROUND

Beginning in 1994 Caltrans instituted a comprehensive annual review of its real property portfolio called the Real Property Retention Review (Review). The Review's portfolio identifies Excess Lands that can be sold and the proceeds directed towards the State Highway Account. In 2006 Caltrans determined that there were no current plans to widen the Warren Freeway also known as State Route 13 in Oakland Ca. The 1.5 acre state owned land that was acquired for the widening project was declared excess.

Since 1964 Caltrans has leased the 1.5 acre parcel to the City as a portion of a nine-hole public golf course known as the Montclair Golf Course. After the parcel was declared as excess,

Iter	n:
Finance and Managem	ent Committee
	July 12, 2011

Caltrans determined that the parcel should be sold either to the City or to a private party. In January 2011, Caltrans forwarded a written correspondence to the Real Estate Division explaining that the City's use of the property for recreation purposes allows Caltrans to dispose of the property as a direct sale to the City.

Caltrans has forwarded the City an Option to Purchase – Cash Sale Agreement for the appraised market value of \$25,000.

If the City approves the acquisition of the subject property for the \$25,000 sales price, Caltrans will then forward the transaction to the California Transportation Commission in late summer to consummate the sale transaction.

#### KEY ISSUES AND IMPACTS

Acquisition of the property ensures that the City will continue to utilize the land as a public golf course. The City will purchase the property in accordance with California Government Code Section 54220 that states," The Legislature reaffirms its belief that there is an identifiable deficiency in the amount of land available for recreational purposes and that surplus land, prior to disposition, should be made available for park and recreation purposes or for open-space purposes".

The California Transportation Commission (CTC) requires Caltrans to include the City staff report and accompanying legislation when referring to the sale. According to The Caltrans Right of Way Excess Lands Manual Section 16.05.09.02, Direct Sales to Governmental Agencies, "Direct sales to public agencies shall be for a public use ... The intended specific use of the property shall be stated in the resolution. A copy of the resolution shall be submitted with the resumé package to the CTC for approval".

Caltrans is in the process of selling off their surplus land to help the State balance its budget. If the City does not buy the property, Caltrans will then be forced to sell the property to a private party.

#### SUSTAINABLE OPPORTUNITIES

**Economic:** City Golf Courses create sales tax revenue through green fees, cart rental, food and beverage purchases and by drawing visitors to Oakland who might also make purchases at other nearby businesses.

*Environmental:* The golf courses in Oakland are efficient users of water; they all use recycled water and wells. The properties sit on hundreds of acres of open space and natural habitat that provide a wild life sanctuary.

Item:
Finance and Management Committee
July 12, 2011

Social Equity: The City golf courses are an important recreational resource for Oakland residents providing an affordable, accessible and available place for Oaklanders to play golf In addition the golf courses serve as employment opportunities for local youth and residents. The Office of Parks & Recreation intends to continue building its existing Junior Golf programs which introduce inner-city youth to the sport of golf

## DISABILITY AND SENIOR CITIZEN ACCESS

Any improvements to the golf courses would conform to the requirements of the Americans with Disabilities Act, the Older American Act, and other applicable laws.

## RECOMMENDATION(S) AND RATIONALE

Staff recommends that Council approve the Ordinance Authorizing the Purchase of parcels 029A-1330-027-03 and 029A-1330-009-01 for a price of \$25,000 plus real estate closing cost of \$15,000.

# ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the Council adopt the Ordinance which accompanies this staff report.

Walter S. Cohen, Director
Community and Economic Development Agency

Reviewed by: Gregory Hunter, Deputy Director Economic Development and Redevelopment

Reviewed by: Frank Fanelli, Manager Real Estate Division

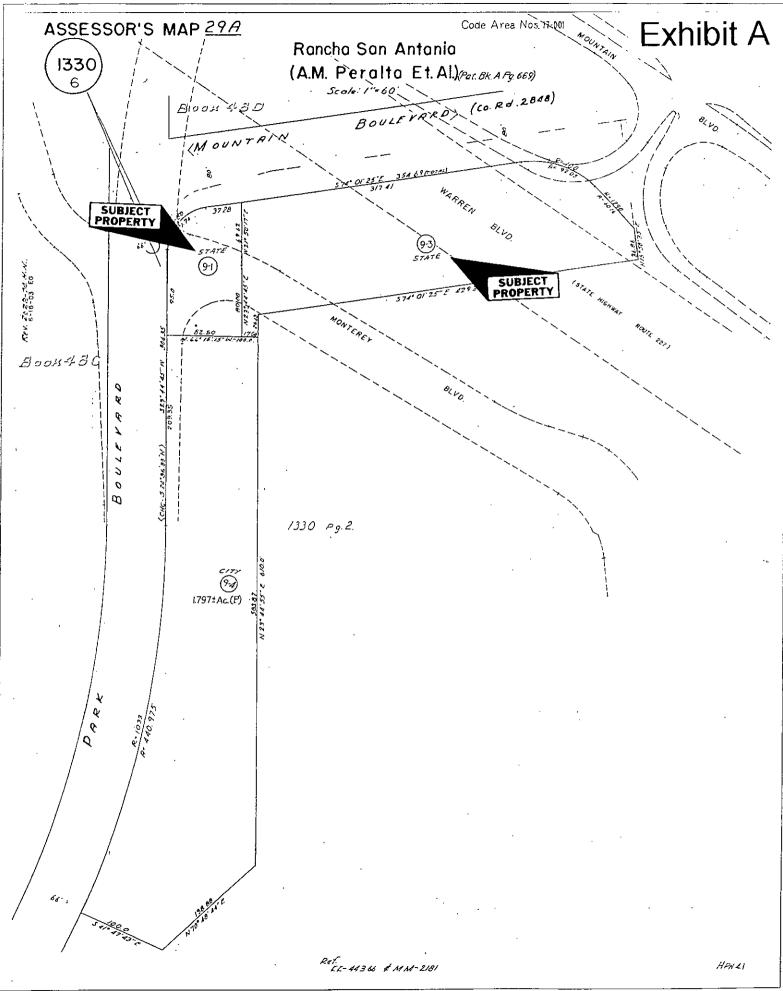
Respectfully submitted,

Prepared by: Ava M. Jourdain, Real Estate Agent Real Estate Division

APPROVED AND FORWARDED TO THE FINANGE AND MANAGEMENT COMMITTEE:

Office of the City Administrator

Item: \_\_\_\_\_\_
Finance and Management Committee
July 12, 2011



TARREL GOLDEN CONTRACTOR

APPROVED AS TO FORM AND LEGALITY

Deputy City Attorney

# MILLER OAKLAND CITY COUNCIL

ORDINANCE NO.	•	C.N	/I.S

ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ACQUIRE PARCEL 029A-1330-027-03 AND PARCEL 029A-1330-009-01 FOR USE AS A PART OF THE MONTCLAIR GOLF COURSE FROM THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR \$25,000

WHEREAS, California Department of Transportation ("Caltrans") acquired parcels 029A-1330-027-03 and 029A-1330-009-01 (the "Parcels") to widen Alameda Highway 237 (Warren Freeway); and

WHEREAS, the Parcels are located near the comer of Park Boulevard and Monterey Boulevard; and

WHEREAS, the total area of the Parcels is estimated at 1.5 acres; and

WHEREAS, since 1964 Caltrans has leased the Parcels to the City of Oakland for the Montclair Golf Course as an interim use; and

WHEREAS, Caltrans determined the plans to widen Warren Freeway are no longer being pursued; and

WHEREAS, Caltrans declared the Parcels excess land and offered to sell the properties to the City as a direct sale for \$25,000; and

WHEREAS, funding for the acquisition of the Parcels is from two sources: \$5,000 is available from the General Purpose Fund (1010), Emergency Contingency Reserve Organization (90611), Miscellaneous Services Account (53719). CAO Contingency Funds Project (P404410), and \$20,000 is available from the Telecommunications Land Use Fund (1770), Real Estate Organization (88639), Land Fixed Asset Number Account (57116), Undetermined Project (0000000); and

WHEREAS, the sale of the Parcels is subject to the approval of the California Transportation Commission; now, therefore

#### THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. The City Council hereby authorizes the City to acquire the Parcels for a purchase price of \$25,000.

Section 2. The City Council agrees, in accordance with Caltrans Right of Way Excess Land Policy, Section 16.05.09.02, to utilize the Parcels for public use.

Section 3. The City Council agrees that the Parcels will continue to be utilized as part of

Montclair Golf Course, a municipal golf course.

Section 4. The City Administrator, or his designee, is authorized to negotiate and execute all real estate documents required to acquire the property rights for the Parcels.

Section 4. The requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been met because this transaction is exempt from CEQA under section 15312 (sale of surplus government property) and section 15325 (Transfers of Land to Preserve Existing Natural Conditions) of the CEQA Guidelines.

Section 5. This Ordinance shall become effective immediately upon final adoption if it receives six or more affirmative votes; otherwise, it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA,	
PASSED BY THE FOLLOWING VOTE:	
AYES- BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNI <b>G</b> HAN, NADE REID	L, SCHAAF, and PRESIDENT
NOES-	
ABSENT-	
ABSTENTION-	
ATTEST:	LaTonda Simmons City Clerk and Clerk of the Council of the City of Oakland, California

# NOTICE AND DIGEST:

ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ACQUIRE PARCEL 029A-1330-027-03 AND PARCEL 029A-1330-009-01 FOR USE AS A PART OF THE MONTCLAIR GOLF COURSE FROM THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR \$25,000

An Ordinance has been prepared authorizing the City Administrator and his designee to acquire Parcel 029A-1330-027-03 and Parcel 029A-1330-009-01 for use as part of the Montclair Golf Course

The parcels have been declared Excess Land by the California Department of Transportation (Caltrans)