



CITY OF OAKLAND

AGENDA REPORT

TO: Jestin D. Johnson
City Administrator

FROM: Emily Weinstein, Director
Housing & Community
Development Department

SUBJECT: Surplus Land Declaration and
Disposition of Four City-Owned
Parcels

DATE: April 3, 2026

City Administrator Approval


Jestin Johnson (Apr 8, 2026 20:02:44 PDT)

Date: Apr 9, 2026

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution To (1) Declare Four City-Owned Parcels Located At 2824 82nd Avenue And 8327-8329 Golf Links Road As Surplus Land Pursuant To The California Surplus Land Act, (2) Authorize the Issuance Of A Notice Of Availability Under The Surplus Land Act, (3) Prioritize Offers That Provide Affordable Housing Consistent With The Surplus Land Act, and (4) Make Related California Environmental Quality Act Findings.

EXECUTIVE SUMMARY

The recommended resolution would authorize the City Council to declare four city-owned vacant parcels in Council District 6 as “surplus land”, and for staff to issue a notice of availability (NOA) under the Surplus Land Act (SLA), and evaluate and recommend responses that are open to either market rate or affordable housing, with a priority for development of affordable housing, consistent with the Oakland Municipal Code (OMC) [OMC section 2.42.140](#), et seq. (Sale or Lease of City-Owned Real Property for Development and Surplus Land Act). **Attachment A** summarizes the parcel zoning and other key site attributes. **Attachment B** provides the draft Notice of Availability (NOA). **Attachment C** provides Ordinance 12223 CMS proposing previous disposition plans, the text of which is not available in Legistar. **Attachment D** provides maps and photos of the sites. Dispositioning the parcels is in accordance with the Housing Element, as described below in [Analysis](#).

BACKGROUND / LEGISLATIVE HISTORY

The City of Oakland purchased parcels in District 6 for a street widening project in the 1960's and then retained them for future development of affordable housing. Since the 1980's, City staff (at the time “Community & Economic Development Agency” known as CEDA”) have negotiated with a variety of developers, including both for-profit and nonprofit to develop these parcels, but all have withdrawn because of the costs associated with mitigating the site's conditions. Staff found it difficult to attract developer interest in these lots because their downhill slopes and difficult soil conditions make it infeasible to reach the City's desired affordability

CED Committee
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targets without additional cash subsidy (other than the City providing the lots at no cost). These slope-related costs significantly increase the per-unit development cost, so for affordable or mixed-income projects, where allowable rents or sales prices are limited, the added expenses cause the project to exceed feasible subsidy levels. As a result, developers frequently conclude that site development is infeasible. In 1999, the former Community Economic Development Agency (CEDA) issued a Request for Proposal (RFP) for the development of affordable housing on these and other sites.

On March 14, 2000, Council passed Ordinance 12223 CMS, which affirmed the land as surplus, and authorized the City Manager to negotiate a Disposition and Development Agreement (DDA) with Citizens Housing Corporation for the sale of the properties for affordable housing development; however, that DDA was not successfully negotiated.

On July 29, 2003, Council passed Resolution [2003-0067 CMS](#) in which the Redevelopment Agency of the City of Oakland accepted transfer of the properties from Oakland and authorized negotiation and execution of a DDA with Paul Wang Enterprises ("PWE") for the sale and development of moderate-income housing to homebuyers up to 100% of Area Median Income (AMI).

On September 16, 2003, Council passed Ordinance [12530 CMS](#) which authorized the transfer of the properties to the Oakland Redevelopment Agency for the special purpose of pursuing development and sale of moderate-income homeownership housing on the sites.

On March 17, 2009, Council passed Resolution [2009-0022 CMS](#) which amended Resolution [2003-0067 CMS](#) to increase the allowable eligible homebuyer income from 100% AMI to 120% AMI and to provide a loan PWE to allow the continued development of the Golf Links Rd Homeownership Project to remain feasible in the face of deteriorating market conditions.

In 2010, mortgage financing and real estate market conditions worsened, and the finished homes sat unsold for months. PWE defaulted on the construction loans and the remaining vacant properties were transferred back to the Agency and the DDA with PWE was rescinded.

Following the 2011 dissolution of the Redevelopment Agency, the properties became assets of the City of Oakland as successor agency. The July 2012 Department of Finance Asset List confirms the four parcels were identified as part of the "Inventory of Assets Received by Oakland Redevelopment Successor Agency". After dissolution of the Redevelopment Agency, funding for subsidizing development at the sites, which were targeted for homeownership housing, evaporated.

In 2020, State law AB 1486's [Surplus Lands Act](#) (SLA) required local agencies' legislative bodies to declare property as "surplus land" before taking any actions to dispose of such property, including issuance of a Notice of Availability (NOA) or an RFP. In response, the City of Oakland's Economic And Workforce Development Department (EWDD) recommended and Council adopted resolution [88233 CMS](#) declaring 16 properties as "Surplus Land" Pursuant To Government Code Section 54220(B)(1). These four subject parcels were inadvertently omitted from the [2012 Oakland Redevelopment Successor Agency's Long Range Property Management Plan](#), as well as the 2020 SLA disposition planning.

In 2023, Council approved the Housing Element is part of Oakland's General Plan. The [2023-2031 Adopted Housing Element](#)'s analysis provides the basis for policies and actions to meet

Oakland's housing needs for the future. Chapter 4 Action 3.31 specifically plans for the annual sale or ground-lease of one to two City-owned surplus sites each year to expand resources for the construction of affordable homes. The surplus land designation and the following RFP bidding process will ultimately inform the City as to the feasibility of reuse as affordable housing, or alternate disposition plans to capture funds.

ANALYSIS AND POLICY ALTERNATIVES

The recommended action is in furtherance of Council-approved plans, specifically **Action 3.3.1 “Sale or ground-lease of City-owned property for affordable housing”**, to implement the policy objective in the **City of Oakland Housing Element Update: 2023-2031**. Council’s official “Surplus Designation” is the first step in the disposition process. Following the designation, the parcels would enter the State-mandated “Surplus Lands Act” process where they are publicly listed as “available.” Afterwards, the land may then be leased, sold, traded or held for future use. It is the City’s policy, as well as State law, to prioritize affordable housing in the disposition of public lands.

As noted above, the parcels have some challenges for development - the subject parcels are irregular-shapes and located on significantly sloped terrain containing challenging soil conditions (landslides, seismically active, drainage challenges, and bordering sensitive habitat along a creek waterway). These geotechnical constraints increase both the complexity and cost of development relative to typical residential infill sites on flatter ground.

If there are no bidders willing to consider lease or sale for Affordable Housing development, it may be reasonable to consider leasing or selling the land without the requirement that it be developed as affordable housing, and reallocating the proceeds of the lease or sale to be invested in developing affordable housing at another site more feasible for development of Affordable Housing.

A final policy alternative would be to not designate the land as surplus, and to continue to retain the land as an “asset”, and to continue to incur the burden of covering the expenses associated with the management and maintenance of the vacant parcels while receiving no tax revenue for the City or County. One flaw with this plan is that the geotechnical issues are unlikely to improve, and while land values generally increase over time, the ongoing cost to maintain the lots rises also. There are a myriad of safer and less difficult-to-manage investment choices available to the City. Consider also that HCD as stewards are poorly equipped to monitor the condition of lots far out of view to us in the City administrative offices, so the area neighborhood groups have had to submit numerous blight and fire hazard complaints that the City then needs to investigate and abate through Real Estate, HCD, Fire Department and Code Enforcement channels. Simply repairing a broken fence can take exorbitant staff time to secure a bid, hire a contractor, and process the payment paperwork per City procedures, while it creates local jobs, it’s not an efficient long term property management model. Staff therefore does not recommend this last alternative.

RELATED PLANNING EFFORTS

This agenda item is a routine item and does not relate to any Oakland strategic planning efforts.

FISCAL IMPACT

There is no immediate cost to the City to proceed with the recommendation to declare the parcels as “Surplus Land.” The City will continue to incur costs associated with holding the land until it is dispositioned, while also foregoing potential tax revenue should the sites return to private use.

Sufficient funds are included in the Fiscal Year 2025-2027 Biennial Adopted Budget for continued ongoing maintenance of the four parcels. A breakdown of the appropriated project funding sources for routine maintenance is included in Table 1:

Table 1: Project Funding Sources

Fund Source	Organization	Account	Project	Program	Amount
2830 Low and Moderate Income Housing Asset Fund	89929 Housing Development	54619 Repair and Maintenance: Miscellaneous	1000388 Housing Dev Project P473610	SC14 Housing Development	\$2,400
Total Project					\$2,400
Total Ongoing:					\$2,400

The 2025 cost to service the lots (mowing and removing trash and debris) was \$600 per visit, so for a projected four visits per year, the total annual minimum expense to HCD’s budget is \$2,400. There may be additional occasional costs incurred to trim trees, address vandalism, or to repair fences and gates.

Unfortunately, vehicle collisions and negligent parking resulting in fence impacts have accounted for most of the recent years’ damages. In 2026, the City spent \$29,300 on fence and gate repairs necessary to abate Code Enforcement violations on the four parcels. It is anticipated that the lots will be dispositioned in a three-year period, or that OPW will again be able to service future requests should the City hold the lots for a longer period.

There are nominal costs to the process of dispositioning the land, such as the cost of title and soil condition reports. The City’s future “cost” of redevelopment to affordable housing could include the donation of land value to a potential developer. The cost does not include the accumulated costs of sixty years of maintaining the lots.

Dispositioning the surplus parcels will save the City costly vacant lot maintenance expenses, reduce liability exposure, eliminate the ongoing need to allocate scarce staff time to managing the parcels, and, if homes are built or the parcels are sold, may generate both transfer and annual parcel tax revenue.

PUBLIC OUTREACH / INTEREST

There has been no public outreach or engagement that has been done related to the specific actions recommended. This implements Council-approved plans to implement the policy objectives in the City of Oakland Housing Element Update: 2023-2031, which did undergo

extensive public outreach and engagement. Local community groups have made repeated requests to the City to improve the stewardship and maintenance of the vacant parcels.

COORDINATION

This disposition plan is coordinated between the City's Economic & Workforce Development Department, Department of Housing and Community Development, Bureau of Planning and Building, and City Attorney's Office.

SUSTAINABLE OPPORTUNITIES

Economic: The recommendation to declare the land as surplus provides a pathway to proceed to either disposition the land for affordable housing development, or for another use. Dispositioning the land will save the City the ongoing expense of maintenance. If the land is redeveloped as new units of affordable housing, those units will benefit the City's lower income residents, and if developed as owner-occupied housing, it may generate on-going property tax revenues as well as workforce housing. In either case, in the short term, site development would provide construction jobs for Oakland-based workers and companies.

Environmental: The recommendation to declare the land as surplus provides a pathway to potential redevelopment which may have environmental impacts, which would be addressed in future reports once the disposition plan is determined.

Race & Equity: The recommendation to declare the land as surplus has no direct equity impacts. However, the future choices regarding redevelopment to affordable housing, or another use including holding the asset as undeveloped land, does have impacts on neighboring land and home values. Based on the [OakDOT Geographic Equity Toolbox](#), all four lots are in a "Priority" neighborhood.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

In 2000 and 2003, Council found that CEQA conditions were satisfied, as evidenced in past resolutions 12223 CMS and [12530 CMS.pdf](#).

ACTION REQUESTED OF THE CITY COUNCIL

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For questions regarding this report, please contact Christia Katz Mulvey, Manager of Strategic Projects, at cmulvey@oaklandca.gov.

Respectfully submitted,



Emily Weinstein (Apr 7, 2026 15:43:51 PDT)

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Attachments:

Attachment A – Findings for Surplus Properties
Attachment B – Notice of Availability (Draft)
Attachment C – Resolution 12223 CMS (unavailable in Legistar)
Attachment D – Maps and Photos of the Parcels