

## **SURPLUS LAND ACT CHECKLIST**

October 2015

The State Legislature has declared that development of low- and moderate-income housing is a vital statewide need and that surplus government land should be made available for this purpose. § 54220 (a).

Whenever a local agency sells or leases its surplus property, the Surplus Land Act requires that the agency prioritizes affordable housing and other vital state purposes. §§ 54220 (a), 54222.

Surplus land means land owned by any local agency that is no longer necessary for the agency's use. § 54221 (b) (see § 54221 (e)-(f) for characteristics of exempt surplus property).

A local agency is any city, county, city and county, or district empowered to acquire and hold property. § 54221 (a).

### **Whenever the City or County sells or leases surplus property, it must:**

#### **➤ NOTIFY SPECIFIC ENTITIES OF THE OPPORTUNITY TO PURCHASE OR LEASE THE PROPERTY FOR SPECIFIED PRIORITY USES. § 54222**

##### **Send a written offer to sell or lease the property as follows:**

##### **Low and moderate-income housing.** Send an offer to sell or lease for the purpose of developing low- and moderate-income housing:

- To any local public entity within whose jurisdiction the surplus land is located.
- To housing sponsors who have made a written request for an offer.

##### **Parks.** Send an offer to sell or lease for park and recreational purposes or open-space purposes:

- To any park or recreation department of any city within which the land is situated.
- To any park or recreation department in the county within which the land is situated.
- To any regional park authority having jurisdiction within the area in which the land is situated.
- To the State Resources Agency or any agency that may succeed to its powers.

- Schools.** Send an offer to sell or lease land suitable for school facilities construction or use by a school district for open-space purposes to any school district in whose jurisdiction the land is located.
- Enterprise Zone.** Send a written offer to sell or lease for enterprise zone purposes any surplus property located in an area designated as an enterprise zone pursuant to Section 7073 to the nonprofit corporation in that zone.
- Infill Opportunity Zone.** Send a written offer to sell or lease for the purpose of developing property located within an infill opportunity zone designated pursuant to Section 65088.4 or within an area covered by a transit village plan adopted pursuant to the Transit Village Development Planning Act of 1994 to any county, city, city and county, public transportation agency, or housing authority within whose jurisdiction the surplus land is located.
- Give interested entities 60 days to respond.** An entity or association desiring to purchase or lease the surplus land for any of the purposes described above must notify the City or County in writing of its intent to purchase or lease the land within 60 days after receipt of the City or County's notification of intent to sell the land.

➤ **ENTER INTO GOOD FAITH NEGOTIATIONS WITH PRIORITY BUYERS.**  
**§§ 54222.5, 54223, 54227**

- Enter into good faith negotiations** with any interested priority buyer notified above for at least 90 days.
- Give first priority** to an entity that proposes to make at least 25 percent of the housing units affordable to lower-income (at or below 80 percent of AMI) households. If more than one entity proposes at least 25 percent of the units for lower-income housing, give priority to the entity that proposes to provide the greatest number of affordable units at the most deeply affordable levels.
- Give first priority** to an entity that agrees to use the site for park or recreational purposes if the land is already being used and will continue to be used for park and recreational purposes, or if the land is designated for park and recreational use in the local general plan and will be developed for that purpose, notwithstanding the above priorities for lower-income housing development.
- If price and terms cannot be agreed on, the City or County may dispose of the land to a non-preferred buyer.

➤ **ENFORCE AN INCLUSIONARY HOUSING REQUIREMENT. § 54233**

- At least 15 percent of the units must be affordable to lower-income households** if 10 or more residential units are developed on the site.