

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
DECLARING 3017 W. 5TH STREET IN THE CITY OF SANTA ANA (WILLOWICK)
SURPLUS LAND PURSUANT TO THE SURPLUS LAND ACT (GOVERNMENT
CODE SECTIONS 54220 ET SEQ.)

WHEREAS, the City of Garden Grove ("City") owns that certain real property consisting of approximately 100 acres and commonly referred to as the Willowick Golf Course ("Willowick"), located at 3017 W. 5th Street, Santa Ana, California;

WHEREAS, the City acquired Willowick in 1964 and has operated Willowick as a commercial golf course since;

WHEREAS, the City Council considers Willowick to be a City asset held for purposes of investment and revenue generation to support City services;

WHEREAS, during the City's ownership of Willowick, revenue generated by the golf course and ancillary operations at Willowick has been utilized not only to operate the golf course, but also to help fund City services to Garden Grove residents;

WHEREAS, in recent years, revenue generated by the Willowick asset to support City services has declined;

WHEREAS, in or about January 2019, the City Council authorized the preparation and issuance of a Request for Proposals ("RFP") for the potential future reuse and/or redevelopment of Willowick with the intent that the property continue to be used as an asset that not only provides community benefits, but also generates revenue that can be used to help fund important City services for the benefit of Garden Grove residents;

WHEREAS, the Surplus Land Act, Government Code sections 54220 et seq., applies when a local agency disposes of "surplus land", as that term is defined in Government Code section 54221;

WHEREAS, prior to January 1, 2020, the City Council did not consider Willowick to be "surplus land" as defined in the Surplus Land Act, in part, because it considered the reuse and redevelopment of Willowick to be a continuing City use of the property for investment and revenue generation purposes (see e.g., *Anderson v. City of San Jose* (2019) 42 Cal. App. 3d 683, 617 ("Whether land is deemed 'surplus' is entirely within the local government's discretion."));

WHEREAS, on October 9, 2019, Governor Newsom signed Assembly Bill ("AB") 1486. AB 1486 significantly amended the Surplus Land Act effective January 1, 2020. These amendments included, among others, changing the previous, long-standing definitions of "surplus land" and "exempt surplus land"; providing that property shall be declared either "surplus land" or "exempt surplus land" before a local agency may take any action to dispose of it; and adding a new limitation providing that an "agency's use" "shall not include commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development" or "property disposed of for the sole purpose of investment or generation or revenue";

WHEREAS, Willowick would fall within the definition of "surplus land" pursuant to Government Code section 54221, as amended by AB 1486;

WHEREAS, in order to pursue new uses for Willowick, including the possible disposition through a sale or preferably a lease of Willowick, the City must now comply with the Surplus Land Act as amended by AB 1486;

WHEREAS, the City Council has not previously taken action on any proposals submitted to the City for the sale, lease, and/or development of Willowick pursuant to the RFP or otherwise;

WHEREAS, the City has notified those entities that previously submitted proposals that due to AB 1486's amendments to the Surplus Land Act, the City will no longer be considering proposals for the sale, lease, and/or development of Willowick submitted pursuant to the RFP process;

WHEREAS, pursuant to the amended Surplus Land Act, City staff will send a written notice of availability of Willowick by electronic mail or by certified mail to the all of the entities identified in Government Code section 54222;

WHEREAS, subject to Government Code section 54227, if one of the entities/agencies desires to purchase or lease the property after having received notice, it must indicate its interest to do so in writing within 60 days of receiving the City's notice, and the City and the entity/agency so responding to the notice may negotiate price and terms for the disposition of the property; and

WHEREAS, pursuant to Government Code 54223, in the event no agreement is reached between the City and any interested entity/agency after a good faith negotiation period of 90 days, the property may be disposed of without further regard to the Surplus Land Act.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GARDEN GROVE that:

1. The foregoing recitals are hereby incorporated and adopted as the findings of the City Council; and

2. For purposes of compliance with the amended Surplus Land Act, the property located at 3017 W. 5th Street in the City of Santa Ana, commonly known as the Willowick Golf Course, is hereby declared surplus land. The City Manager, or his designee, is directed to proceed with the notification and negotiation requirements of the amended Surplus Land Act, as amended, to facilitate the possible disposition and reuse of the Willowick Golf Course.