



June 11, 2019

Richard Sanders
Facilities & Real Property Superintendent
Department of Public Works
915 I Street, 2nd Floor
Sacramento, CA 95814

RE: Public Surplus Lands Follow-Up

Dear Mr. Sanders:

Thank you for our recent meeting to discuss the City of Sacramento's practices related to the disposition of public surplus lands especially compliance with recent amendments to state law (Government Code Sections 654220-54223).

We appreciated getting information about the City's current review of the potentially 2,000 surplus sites. You indicated the review narrowed those sites down to approximately 100 viable parcels, of which 12 have been submitted to the City Manager's office for consideration. We are very anxious to learn about the determination of the City Manager regarding these parcels.

While the information provided was helpful, we are concerned about the lack of specific policies and procedures to ensure effective and transparent compliance with State law. As you know, State law has been amended several times over the last few years to strengthen requirements to facilitate the use of public surplus land for affordable housing purposes. Yet as you indicated in our meeting, no specific policies or procedures have been established to ensure compliance with these new provisions. It also does not appear the City has any clear and consistent standards to evaluate parcels and their suitability for continued use or disposal. As a result, the public has no information about the standards being used to evaluate the availability of this precious public resource and that should not continue.

In addition, when disposing of surplus properties, State law explicitly requires local governments to: prioritize proposals that make at least 25% of the housing units affordable to low income households; prioritize proposals with the greatest number of affordable units at the most affordable price or rent; and ensure surplus property developed with 10 or more residential units include at least 15% of the units as affordable to lower income households. However, you indicated the City has no specific policies or procedures to ensure these provisions are implemented, including ensuring that notice about the availability of any surplus sites be sent to the required agencies and interested parties.

As we mentioned in the meeting, we also urge the City to develop a phasing policy to ensure available surplus sites are not all made available for purchase at one time. Phasing release of

such properties will provide the affordable housing development community the best opportunity to access such sites, without such a policy, critical sites could be lost for use for other purposes.

The City has a real opportunity to lead on this important issue and we urge you to do so. For example, the City could serve as a clearinghouse for public surplus lands available in the city, including parcels controlled by other public agencies (local utilities, Regional Transit, RASA, etc.). Having a centralized location to get information about all public sites would support getting the most public benefit from the use of these sites and facilitate access to critical information to affordable housing developers and the public.

In summary, the Sacramento Housing Alliance and the Environmental Council of Sacramento specifically request the City:

1. Establish specific policies and procedures to:
 - Provide clear, consistent standards for evaluating the potential of publicly owned sites for disposition.
 - Provide timely notice to public agencies and interested parties that a surplus site is available.
 - Prioritize proposals for use of surplus properties that commit to making at least 25% of the housing units affordable to low income households.
 - Prioritize proposals with the greatest number of affordable units at the most affordable price or rent.
 - Ensure surplus property developed with 10 or more residential units include at least 15% of the units as affordable to lower income households.
2. Play a leadership role in maximizing the use of public surplus properties for affordable housing purposes by establishing a clearinghouse of sites available from all public agencies within the City including Regional Transit, public utilities, and RASA. In addition, the City should ensure all public agencies understand the law and their responsibilities regarding the use of public surplus property for affordable housing.
3. Evaluate establishing a phasing policy to maximize the potential reuse of surplus properties for affordable housing purposes.
4. Engage in a robust and transparent public process to establish such policies.
5. Encourage the Sacramento Area Council of Governments to establish a policy, similar to one adopted by the Metropolitan Transportation Commission in the Bay Area, that incentivizes local governments using surplus public property for affordable housing purposes.

Thank you for your consideration and we will follow up to discuss our recommendations soon.
If you have any questions, please do not hesitate to contact us.

Sincerely,



Cathy Creswell
Board President
Sacramento Housing Alliance



Ralph Propper
President
Environmental Council of Sacramento
(ECOS)

cc: Michael Jasso, Assistant City Manager
Scott Whyte, Office of the Mayor
Jaycob Bytel, Office of the Mayor