CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: July 10, 2025

PREPARED BY: Mariela Salazar, Management Analyst
                            Martin Alvarez, Director of Economic Development

SUBJECT: RESOLUTION DECLARING CITY OWNED PROPERTY LOCATED ON PORTOLA AVENUE NORTH OF HAYSTACK, APN 630-250-052, AS SURPLUS LAND UNDER THE GOVERNMENT CODE SECTION 54221 AND CATAGORICALLY EXEMPT FROM CEQA
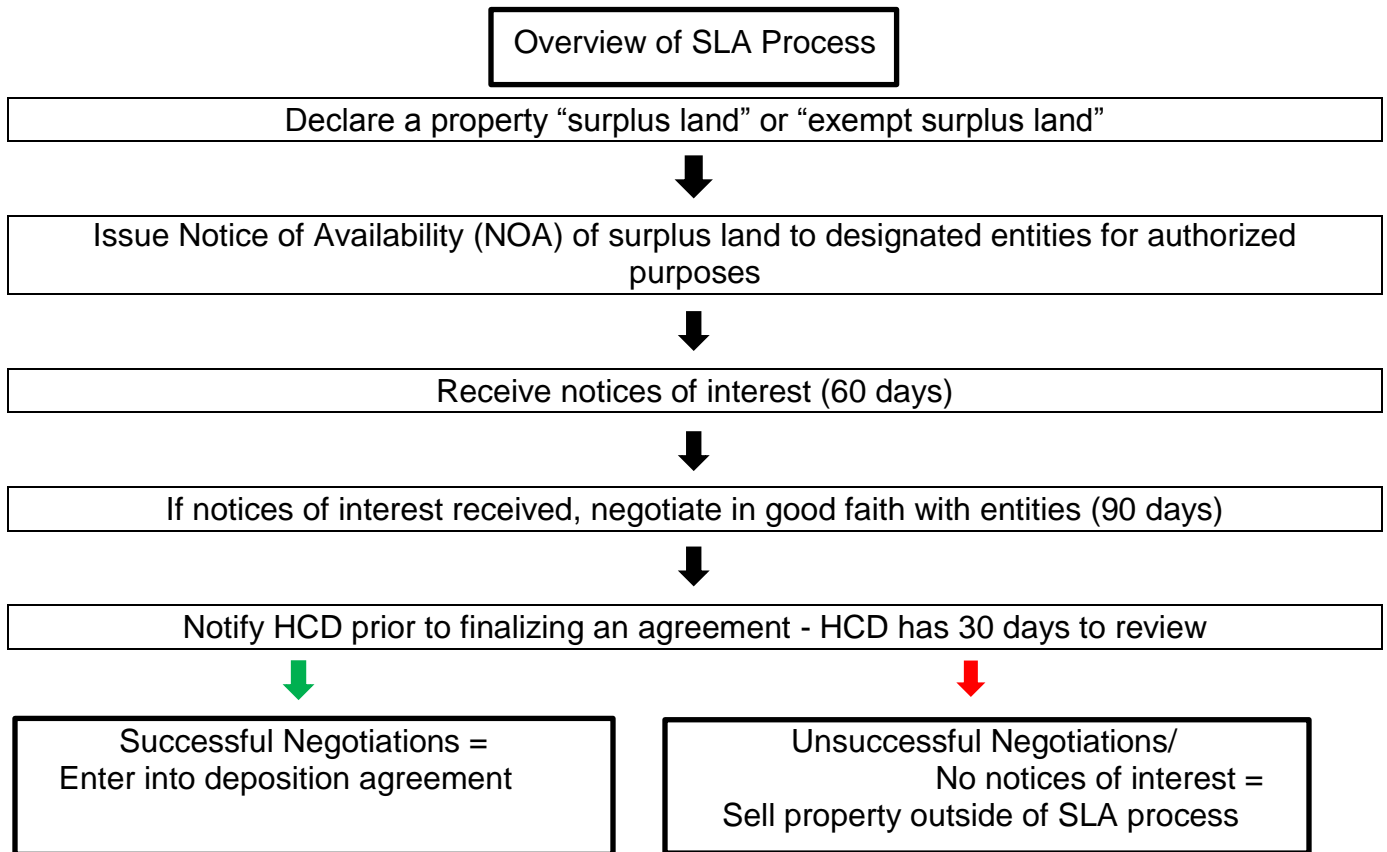
RECOMMENDATION:

Adopt a Resolution entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, DECLARING PURSUANT TO GOVERNMENT CODE SECTION 54221 THAT REAL PROPERTY OWNED BY THE CITY OF PALM DESERT LOCATED AT 47501 PORTOLA AVENUE (PORTION OF APN 630-250-052) IS SURPLUS LAND AND NOT NECESSARY FOR THE CITY'S USE, FINDING THAT SUCH DECLARATION IS EXEMPT FROM ENVIRONMENTAL REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND TAKING RELATED ACTIONS." This action declares approximately 0.95 acres of city-owned property located on Portola Avenue, north of Haystack Road (APN 630-250-052), as surplus land in accordance with the California Surplus Land Act (SLA) while retaining approximately 0.33 acres for City use.

BACKGROUND/ANALYSIS:

The parcel (APN 620-250-052) is City-owned and totals approximately 1.28 acres. Currently, the City intends to retain approximately 0.33 acres for potential future use. The remaining 0.95 acres are not needed for current or foreseeable municipal purposes, and it is proposed to be declared surplus.

The property is currently designated "Golf Course & Resort Neighborhood' in the General Plan and zoned as Open Space (OS). Any future development would need at least a Precise Plan approval, must follow the OS standards in Palm Desert Municipal Code Chapter 25.22, and go through environmental review. If a proposed use doesn't match the current General Plan or zoning, changes to those designations may be required.

In compliance with the Surplus Land Act (SLA), the 0.95-acre portion of the property has completed the required Notice of Availability and 60-day proposal period. As no qualifying proposals were received within the statutory timeframes, the City has fulfilled all SLA obligations and may now proceed with the sale of the property on the open market in accordance with applicable law.

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│   Overview of SLA Process   │
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Declare a property "surplus land" or "exempt surplus land"

⬇

Issue Notice of Availability (NOA) of surplus land to designated entities for authorized purposes

⬇

Receive notices of interest (60 days)

⬇

If notices of interest received, negotiate in good faith with entities (90 days)

⬇

Notify HCD prior to finalizing an agreement - HCD has 30 days to review

Successful Negotiations = Enter into deposition agreement	Unsuccessful Negotiations/ No notices of interest = Sell property outside of SLA process

Once the SLA process is concluded, the City is authorized to make the 0.95-acre surplus portion available for sale on the open market and to be sold at the fair market value (FMV).

Environment Review:
Pursuant to the California Environmental Quality Act (CEQA), the sale of surplus property is categorically exempt under section 15312 (Surplus Government Property Sales), Class 12, as the property does not have significant vale as a habitat for endangered, rare, or threatened species, the property is of such size, shape or inaccessibility that it is incapable of independent development or use, and the sale will not result in any physical changes to the environment at this stage. Any future development of the property by a purchaser will be subject to separate CEQA review by the appropriate lead agency at that time.

FINANCIAL IMPACT:

Proceeds generated from the sale of the 0.95-acre portion of the property will be deposited into the City's General Fund, with a designated percentage allocated to the Economic Development Fund. These funds may be utilized to support priority capital improvement projects or other initiatives identified by the City.

ATTACHMENTS:

1. Resolution declaring portion of APN 630-250-052 as Surplus Land
2. Property map highlighting retained and surplus portions

3. Property Notice of Availability