



April 17, 2019

The Honorable David Chiu  
Chair, Assembly Housing & Community Development  
Committee  
State Capitol, Room 4112  
Sacramento, CA 95814

**RE: Assembly Bill 1486 (Ting) – OPPOSE UNLESS AMENDED  
As Amended April 11, 2019**

Dear Assembly Member Chiu:

On behalf of the Rural County Representatives of California (RCRC) and the Urban Counties of California (UCC), we regret to inform you of our continued opposition on Assembly Bill 1486, authored by Assembly Member Philip Ting. AB 1486 would place onerous new requirements on public agencies disposing of surplus land.

Specifically, AB 1486 adds more specificity to the types of agencies subject to the Surplus Land Act, by adding sewer, water, utility, and local and regional park districts, joint powers authorities, successor agencies to former redevelopment agencies, housing authorities, and other political subdivisions of this state to the list of agencies that are mandated to follow certain requirements before disposing of surplus land. AB 1486 also redefines and substantially broadens the term “dispose of” to include the sale, transfer, or other conveyance of any interest in real property.

The new definition of disposal would be very problematic for many public agencies, including the state’s rural counties, that have valid reasons to lease or otherwise protect land they own. Under AB 1486, attempting to lease land in support of a public agencies’ governmental function would trigger the requirements for the disposal of surplus land, even though leases are, by nature, not intended to be perpetual. AB 1486 endeavors to narrowly exempt certain very specific leasing scenarios from the requirements of the bill, but fails to address the global problems associated with making the surplus lands requirements applicable to leasing or conveyance of easements or other nonpossessory interests. Local governments lease property in a wide array of circumstances in support of their governmental operations and public purposes, not all of which can be predicted or micromanaged in advance as this bill attempts. We ask the author to consider amending the definition of “disposal” in AB 1486 to apply only to the sale of surplus land.

As currently written, AB 1486 would require counties to offer-up surplus properties for housing or other uses, regardless of whether the land is actually suitable for such use, or whether it is safe or appropriate to place new residents (or other public activities) in that location. These concerns are substantially exacerbated by the zoning override provisions in the

bill, which will prevent counties from ensuring, for example, that housing sites are actually appropriate for housing - and create significant risk of placing new residents in unsuitable or even unsafe locations. These provisions were not included in prior legislative efforts, and should not be included in this bill.

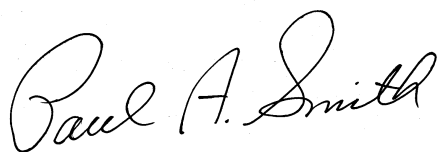
We ask the author to consider amendments that would remove the zoning override provisions, and require counties to only offer land for sale that is considered suitable for school facilities or affordable housing, rather than subjecting all land, regardless of its zoning and the appropriateness for school facilities or affordable housing, to the Surplus Land Act.

AB 1486 also would require a local agency prior to participating in any formal or informal negotiations to notice the availability of the property. There may be good reasons for an agency to have informal negotiations, particularly if the disposition is time sensitive. Moreover, informal discussions can give a good sense of potential market value. If the agency complies with the Act by providing notice and negotiation in good faith that should be all that is required.

Finally, AB 1486 incorporates several other difficult procedural features. These include limiting negotiations with qualifying organization to "sales price and lease terms" - which will make it impossible to address any other concerns the parties may have, thus resulting in failed negotiations. The provision that any mistake in complying with these provisions will invalidate an agency's sale or lease of property is similarly troubling, as it would undermine the certainty of any real property transaction, to the detriment of both the lessee or purchaser and the public.

While we applaud AB 1486's intent in expanding opportunities for affordable housing, we respectfully request that the bill be amended to make it workable for all types of public agencies and situations. If you should have any questions or concerns with these comments, please do not hesitate to contact Paul A. Smith of RCRC at (916) 447-4806 or Jean Hurst of UCC at (916) 272-0010.

Sincerely,



PAUL A. SMITH  
Vice President Government Affairs  
RCRC



JEAN HURST  
Legislative Representative  
UCC

cc: The Honorable Philip Ting, Member of the State Assembly  
Members of the Assembly Housing & Community Development Committee  
Consultant, Assembly Housing & Community Development Committee  
William Weber, Consultant, Assembly Republican Caucus