

PROPOSED SALE OF
MSC SURPLUS
PROPERTY

City Manager Graves introduced agenda item "1" -
"Clarification on Proposition 4 re MSC site".

Following a request from the City Council for clarification, City Attorney Stein advised the Council that he had contacted Betsy Strauss, Staff Attorney of the League of California Cities and asked whether the proceeds from the sale of surplus property (the MSC site) would be considered "proceeds from taxes".

Her answer was in the negative. It is her understanding that both the Legislative Counsel and the authors of Proposition 4 agree with her interpretation that the proceeds from the sale of surplus property would not be considered the proceeds from taxes.

In speaking with Ms. Strauss regarding this matter, Mr. Stein indicated the analysis was that even if the property was purchased with proceeds of taxes, the sale of the property and the monies received from same can only secondarily be considered proceeds from taxes and that, therefore, they would not be considered proceeds from taxes under Proposition 4.

A very lengthy discussion followed regarding the proposed sale of property at the Municipal Service Center Site.

Staff urged that this property not be sold in that the long range plans for the City necessitated the retention of all land at the site.

It was pointed out that Staff had received inquiries from approximately 5 persons or businesses interested in purchasing the property.

Additional discussion followed with many questions being directed to Staff regarding the matter.

Following the appointment by Mayor Katnich of Mayor Pro Tempore McCarty and Councilman Hughes to a Committee to meet with the City Attorney regarding this property, Council, on motion of Mayor Pro Tempore McCarty, Murphy second, voted to advertise for bids for the sale of this property and that upon receipt of the bids with the recommendations of the aforementioned Committee, that a final decision be made by the Council.

The motion carried by the following vote:

Ayes: Councilmen - McCarty, Murphy, and
Pinkerton

Noes: Councilmen - Hughes and Katnich

Absent: Councilmen - None

Mr. Graves:

3/11/81

Under State law, if we lease or sell public buildings, there must be a report given to the Planning Commission. This is necessitated because the plan must be consistent with the General Plan.

Per Ron

