

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,  
CALIFORNIA DECLARING CITY OWNED REAL PROPERTY LOCATED AT  
5440 TELEGRAPH ROAD AND KNOWN AS APN NO. 6336-23-910, 911, 912,  
913, 915, 916, & 920 AS SURPLUS LAND PURSUANT TO THE SUPRLUS  
LAND ACT**

**WHEREAS**, the City of Commerce (“City”) owns certain real located at 5440 Telegraph Road having APN No. 6336-23-901, 910, 911, 912, 913, 915, 916, & 920, Commerce, California ( the “Property”);

**WHEREAS**, the City acquired the Property in 2012 and the Property is currently improved with two commercial buildings and is currently operating as an auto dealership in the Unlimited Commercial (C-2) zone and the Property is approximately 54,060 square feet;

**WHEREAS**, the Surplus Land Act (“SLA”) codified under 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 did not consider the Dealership Property to be “surplus land” as then defined in the SLA, in part, because it had a commercial lease and opted to continue the lease of the Dealership Property to the current operator (Commerce Mitsubishi) to be a continuing use for City investment and revenue generation purposes;

**WHEREAS**, on October 9, 2019, Assembly Bill (“AB”) 1486 was signed into law, which significantly amended the SLA effective January 1, 2020. These amendments included, among other things, changing the long-standing definitions of “surplus land” and “exempt surplus land,” providing that property shall be declared either surplus or exempt surplus land before a local agency may take any action to dispose of the property, and adding new limitations providing that an “agency’s use” shall not include commercial or industrial uses or activities and other non-governmental retail, entertainment, or office development, or use of the property for investment or revenue generation;

**WHEREAS**, based on the recently amended SLA by way of AB 1486, the Property constitutes “surplus land” as defined under Government Code Section 54221;

**WHEREAS**, pursuant to the amended SLA, the City shall send a written notice of availability of the Property to all of the entities identified in Government Code Section 54222 by electronic mail or by certified mail;

**WHEREAS**, pursuant 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 to the City within 60 days of receiving the City’s notice and the City and the entity/agency responding may negotiate price and terms for disposition of the property; and

**WHEREAS**, in the event that 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 SLA.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY RESOLVE, DECLARE AND DETERMINE AS FOLLOWS:**

**SECTION 1:** The City Council of the City of Commerce hereby finds and declares that the foregoing recitals are true and correct and incorporates them herein as its findings.

**SECTION 2** For the purposes of compliance with the amended SLA, the property located at 5440 Telegraph Road is hereby declared surplus land as defined under the SLA. The City Manager, or his designee, is directed to proceed with the notification and negotiation requirements set forth under the SLA to facilitate the possible disposition of the property.

**SECTION 3.** The adoption of this Resolution is exempt from the California Environmental Quality Act ("CEQA") on the basis that the declaration of surplus land contained herein does not have the potential for creating a significant effect on the environment and is therefore exempt from further review under CEQA pursuant to CEQA Guidelines Section 15060(c)(3) because it is not a project as defined by CEQA Guidelines Section 15378.

**SECTION 4.** The City Clerk shall attest and certify to the passage and adoption of this Resolution and enter it into the book of original resolutions. This Resolution shall be effective immediately upon adoption.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Commerce, California this 9<sup>th</sup> day of July 2024.

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Hugo A. Argumedo, Mayor

ATTEST:

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Lena Shumway, City Clerk