ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

ECONOMIC & CIVIC DEVELOPMENT DEPARTMENT

Chris Bazar
Agency Director

Eileen Dalton
Director

224 West Winton Ave
Room 109

Hayward, California
94544-1215

phone
510.670.5333
fax
510.670.6105

www.acgov.org/cda

Agenda Item _____ April 20, 2021

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, California 94612-4305

Dear Board Members:

SUBJECT: **ADOPT A RESOLUTION DECLARING AS SURPLUS LAND AND AUTHORIZING THE SALE OR LEASE OF COUNTY-OWNED PROPERTY KNOWN AS THE LORENZO THEATER AND LOCATED AT 16080 HESPERIAN BOULEVARD IN SAN LORENZO**

RECOMMENDATIONS:

A. Adopt a Resolution declaring the property known as the Lorenzo Theater and located at 16080 Hesperian Boulevard in San Lorenzo as not required or necessary for County use and as surplus land;

B. Authorize the Director of the Community Development Agency, or his designee, to send written Notices of Availability of the Property to designated local public entities, State HCD, housing sponsors, park and recreation departments, and regional park authorities in accordance with requirements of the Surplus Land Act;

C. Authorize the Director of the Community Development Agency, or his designee, to engage in good faith negotiations with any recipients of the Surplus Land Act notices that notify the Agency of its interest in developing the land for affordable housing; and

D. Direct the Director of the Community Development Agency to return to the Board to present a proposed disposition of the property.

SUMMARY/DISCUSSION:

The State's Surplus Lands Act requires public agencies to declare publicly-owned land that is no longer required for an agency's use as either "surplus land" or "exempt surplus land". While the sale of property to fulfill economic development goals previously was exempt, that is no longer the case.

For that reason, the Lorenzo Theater is now subject to the State Surplus Land Act

requirements. Since it does not meet the definition of "exempt surplus land" and is not needed for County purposes, the County must declare the Lorenzo Theater property "surplus" and send a Notice of Availability (NOA) to the required entities under the Surplus Land Act. Recipients then have 60 days to respond to the NOA with a written Notice of Interest and, should the County receive any expressions of interest for developing affordable housing, the County is then obliged to enter into good faith negotiations with any interested party for at least 90 days. However, the County is not obliged to reach agreement with an interested party; the Surplus Lands Act prescribes a process, as opposed to a particular outcome.

Built in 1947, the Lorenzo Theater was a 700-seat single-screen movie theater in San Lorenzo Village. It operated until 1982 and has been largely vacant ever since. The 9,700 square foot Theater largely covers the 13,424 square foot parcel upon which it is located and retains its unique, historic features. Reuse of the Theater will require new electrical, plumbing, ADA and seismic systems to comply with current building codes.

Since 2002, the Lorenzo Theater has been listed in the California Register of Historical Resources, designated for its Art Moderne architecture and unique "black light murals" that cover the interior walls and remain one of a very few surviving examples. Also, in September of 2002, the Board of Supervisors designated the Lorenzo Theater a Historic Preservation District. Due to its listing in the California Register of Historical Resources, the property is considered a historic resource under the California Environmental Quality Act (CEQA), and any proposed project will be evaluated for compliance with the *Secretary of the Interior's Standards for the Treatment of Historic Properties*. Such preservation requirements could make use of the property for affordable housing difficult. Given the unique configuration of this historic and single-purpose theater and its near-total coverage of the property,it may be difficult to develop the site for housing or open space, especially given the historically important murals lining the interior walls.

In 2010, the Redevelopment Agency purchased the Lorenzo Theater for reuse as a community asset or commercial use. Following dissolution of the Redevelopment Agency in 2012, the Economic & Civic Development Department (ECD) assumed management of the Theater, including the 2015 transfer of former Agency assets to the County, pursuant to the approved Long-Range Property Management Plan.

In May of 2019, ECD retained Page & Turnbull, a historic architectural firm, to complete a *Re-Use Feasibility Update* that revisited renovation costs and included conceptual plans illustrating how a historically sensitive renovation could fulfill the County's goal to reuse the Theater for entertainment or theater space. In light of these findings, ECD sent out a *Request for Interest/Development Concept* in August of 2019 seeking proposals to renovate and re-use the Theater. ECD selected Matt DeLima as the "Preferred Developer" for his experience operating eight successful restaurants and his compelling vision to bring the Theater back to life as an entertainment and live music venue, along with opportunities for community events. However, Matt DeLima and ECD cannot work on a Disposition and Development Agreement (DDA) for consideration by the Board of Supervisors until the County complies with the procedures set

forth in the Surplus Land Act. As required by the Surplus Lands Act, no negotiations with the

Preferred Developer will take place during the 60 days the NOA is available for response, and for an additional 90 days should the County receive any eligible response(s).

If the County does not receive any eligible responses and/or does not reach an agreement with an interested party after issuing the Notice of Availability, then the County will rely upon the prior Request for Interest and return to the Board so it can consider disposition of the property in conformance with the long-range property management plan.

FINANCING:
There will be no increase in net County cost for this action.

VISION 2026 GOAL:
The proposed disposal of the Property meets the 10X goal pathway of **Accessible Infrastructure** in support of our shared vision of a **Prosperous and Vibrant Economy.**

Very truly yours,

DocuSigned by:
002C10B338294FA...
Chris Bazar, Director
Community Development Agency

Cc: Each member, Board of Supervisors
Susan S. Muranishi, County Administrator
Melissa Wilk, Auditor-Controller
Donna R. Ziegler, County Counsel
Rachel Sommovilla, Office of the County Counsel
Amy Costa, County Administrator's Office
Sandra Rivera, Community Development Agency

RESOLUTION NO. R2021-___

A RESOLUTION DECLARING AS SURPLUS LAND THE COUNTY OWNED REAL PROPERTY KNOWN AS THE LORENZO THEATER LOCATED AT 16080 HESPERIAN BOULEVARD, SAN LORENZO, CALIFORNIA

WHEREAS, the County of Alameda ("County") is the owner of certain real property consisting of the Lorenzo Theater located at 16080 Hesperian Boulevard in unincorporated San Lorenzo, California, more particularly designated and described in "Exhibit A" ("Property"); and

WHEREAS, the Community Development Agency ("CDA") has reviewed the options for the Property and determined that the Property is not necessary for the County's use and is surplus land to the County; and

WHEREAS, the County wishes to dispose of the Property based upon the findings by CDA that the Property is not required or necessary for County use and is surplus to the County; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of Alameda hereby finds and declares that the Property is not necessary for County use and is "surplus land" within the meaning of California Government Code Section 54221(b)(1); and

BE IT FURTHER RESOLVED that the Board of Supervisors delegates to the CDA Director the authority to send written notices of availability as required by Government Code section 54222 and commence negotiations for disposal of the Property with any recipient of such notices that provides a timely response in accordance with the statute; and

BE IT FURTHER RESOLVED that the Board of Supervisors directs the CDA Director to return to the Board for negotiation direction at the next regularly scheduled meeting or special meeting of the Board following receipt of a timely response to the statutory notice, or in the alternative, in the absence of receipt of any timely notices, to prepare a Disposition and Development Agreement for the Property for consideration by this Board at the earliest possible date in conformance with the Department of Finance and Alameda County Successor Agency approved long-range property management plan.

The FOREGOING was PASSED and A D O P T E D by the following vote of the County of Alameda Board of Supervisors on this 20th day of April, 2021, to wit:

AYES:

NOES:

EXCUSED:

_____

President, Board of Supervisors

ATTEST:

ANIKA CAMPBELL-BELTON
Clerk, Board of Supervisors

By: _____
Deputy Clerk

APPROVED AS TO FORM:

DONNA R. ZIEGLER, COUNTY COUNSEL

By: DocuSigned by: Rachel Sommovilla 44956E86AA3D4D9...
Rachel Sommovilla
Assistant County Counsel

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN AN UNINCORPORATED AREA, COUNTY OF ALAMEDA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

A portion of Lot 1, Block 1, and a portion of Hesperian Boulevard, (said portion of Hesperian Boulevard was abandoned by the Board of Supervisors of the County of Alameda, on April 19, 1960, under Recorder's Series No. AR/46401, Reel 71, Image 788, Alameda County Records), Map of Tract No. 688, filed May 13, 1944, in Map Book 10, pages 43, 44 and 45, Alameda County Records, described as follows:

Beginning at a point on the Northerly line of Hesperian Boulevard, distant thereon North 27° 30' West 41.50 Feet from the most Southerly corner of Block 1, as said upon map entitled, "Tract No. 688, Alameda County, California", filed in the Office of the Recorder of the County of Alameda in Book 10 of Maps, at pages 43, 44 and 45; thence from said point of beginning North 62° 30' East 62.50 feet; thence South 27° 30' East 6.00 feet; thence North 62° 30' East 55.00 feet; thence South 27° 30' East 12.50 feet; thence North 62° 30' East 47.50 feet; thence South 27° 30' East 6.02 feet to the Southeasterly line of said Block 1; thence North 45° East along the last mentioned line a distance of 10.49 feet; thence North 27° 30' West 92.37 feet; thence South 62° 30' West 112.50 feet; thence South 27° 30' East 6.00 feet; thence south 62° 30' West 21.50 feet; thence North 27° 30' West 3.50 feet to an angle point in the Westerly boundary of said Block 1; thence along the boundary of said Block 1 South 62° 30' West 41 feet and South 27° 30' East 68.50 feet to the point of beginning.

Agency/ Organization
Via U.S. Certified Mail OR electronic mail
Insert Address
And/or
Email address

NOTICE OF AVAILABILITY OF SURPLUS PROPERTY

Property Location: The Lorenzo Theater, 16080 Hesperian Boulevard, San Lorenzo, California, a district in unincorporated Alameda County. A.P.N: #412-0039-025-00. A legal description of the property is provided in Exhibit A, attached hereto.

The County of Alameda's Community Development Agency hereby gives notice of the availability of surplus land and its intent to dispose of the property as described in the attached Exhibit A ("Property"), by sale or lease. Pursuant to California Government Code Section 54222, the County of Alameda is hereby providing written notice to your agency or organization of the availability to purchase or lease the Property.

Should your agency or organization desire to purchase or lease the Property, you must respond with a written notice of your intent within 60 days from the date of this notice. Your response must include a description of your intended development proposal for the Property. Priority shall be given to development proposals as designated in Government Code Section 54222 et seq.

Please address the notice of intent to purchase or lease to:

Eileen Dalton, Director, Economic & Civic Development Department
Alameda County Community Development Agency
224 W. Winton Avenue, Room 110
Hayward, CA 94544-1215

The County of Alameda will carefully consider all reasonable offers and proposals and will enter good faith negotiations with eligible proposers for 90 days pursuant to Government Code Section 54223. If a mutually agreeable terms are not reached during the 90-day period, the County of Alameda may market the property to the general public.

For additional information, please contact Eileen Dalton, Director, Economic & Civic Development Department, at 510-670-6509, or via email at Eileen.Dalton@acgov.org.

Entities proposing to submit a letter of interest are advised to review the requirements set forth in the Surplus Land Act (Government Code Section 54330-54234).

The following contains additional detail regarding the Property in the attached Exhibit A. Since 2002, the Lorenzo Theater has been listed in the California Register of Historical Resources. In September of 2002, the Board of Supervisors designated the Lorenzo Theater a Historic Preservation District. Due to its listing in the California Register of Historical Resources, the property is considered a historic resource under the California Environmental Quality Act (CEQA).

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