



COUNCIL REPORT

DATE: June 9, 2026

CATEGORY: Consent

DEPT.: Public Works

TITLE: **975 Terra Bella Avenue (APN: 153-18-030)–Acquisition of Real Property**

RECOMMENDATION

1. Approve the acquisition of property located at 975 Terra Bella Avenue (APN: 153-18-030) owned by Steve Nash and Dennis Ryan, tenants in common in equal parts.
2. Appropriate \$8.65 million from the Park Land Dedication Fund for the acquisition and closing costs of 975 Terra Bella Avenue. (Five votes required)
3. Transfer and Appropriate \$350,000 from the Park Land Dedication Fund to San Rafael Avenue Park, Design and Construction, Project 24-36. (Five votes required)
4. Authorize the City Manager or designee to execute all documents and take necessary action related to the acquisition of 975 Terra Bella Avenue (APN: 153-18-030).
5. Find that in accordance with the requirements of the California Environmental Quality Act (CEQA), under California Code of Regulations Title 14, Section 15325, the acquisition of these properties is categorically exempt as Class 25(f) because the acquisitions preserve lands for park purposes.

BACKGROUND

The property at 975 Terra Bella Avenue is a 0.86-acre parcel with an approximately 2,000 square foot structure originally constructed as a residence and later converted to office use. The building is currently vacant (Figure 1). The property is directly adjacent to the City-owned future San Rafael Avenue park site (consisting of recently purchased parcels at 909, 917, and 939 San Rafael Avenue) and is the largest parcel immediately north of the site. Acquisition of 975 Terra Bella Avenue would expand the future park from approximately 2.4 acres to approximately 3.2 acres.

This property is located within the Stierlin Park Planning Area (Figure 2), which currently has 1.65 acres of parks and open space per 1,000 residents, below the City's goal of three acres per 1,000 residents. The closest park for the Terra Bella neighborhood is the two-acre San Veron Park on West Middlefield Road.

The City has undertaken standard acquisition due diligence for the property, including environmental review and title review.



Figure 1: Location of 975 Terra Bella Avenue

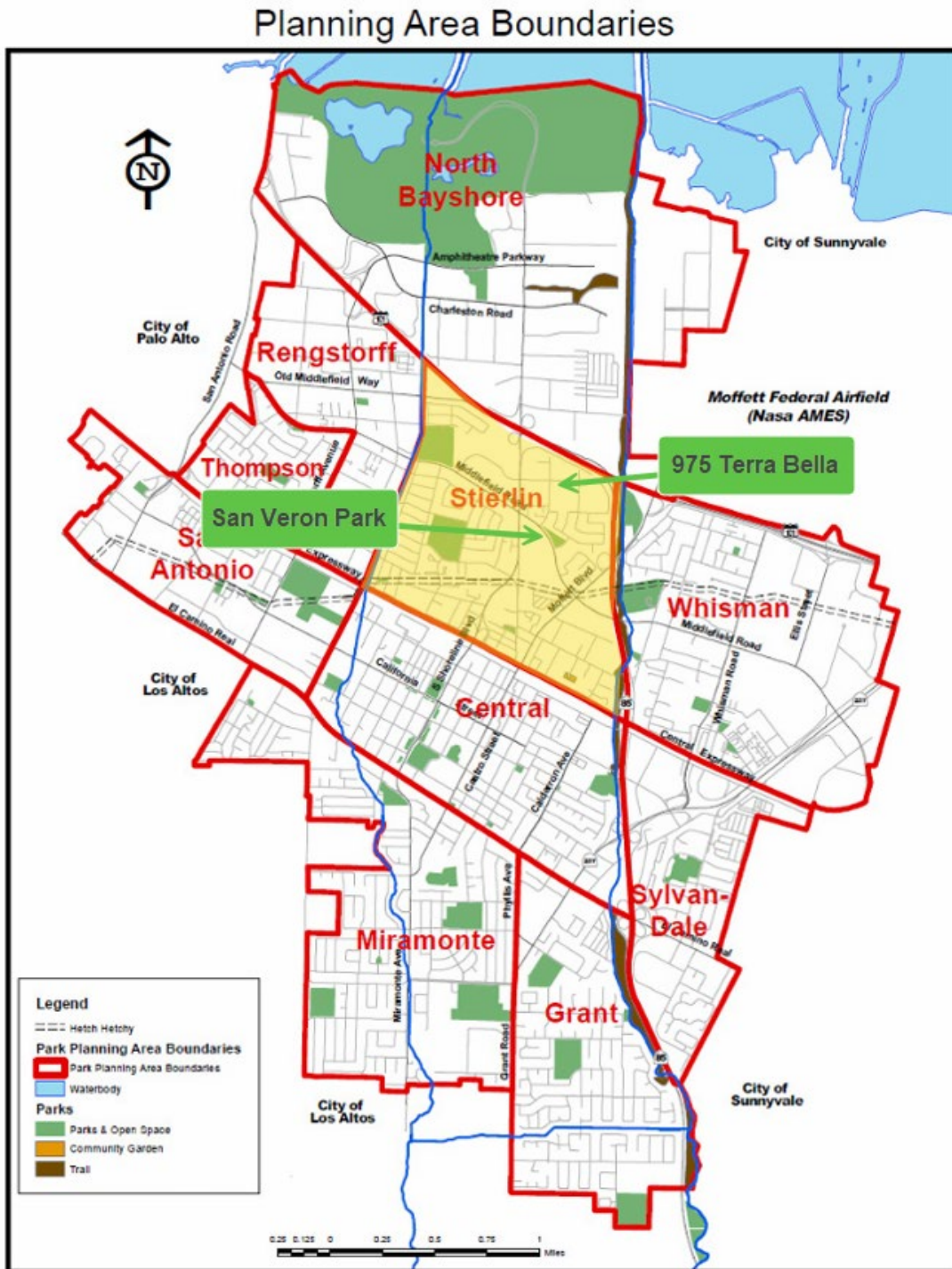


Figure 2: Stierlin Park Planning Area

ANALYSIS

Staff recommends acquisition of 975 Terra Bella Avenue and assembly of the property with the existing City-owned future San Rafael Avenue park site. Acquisition of the property would expand

the sites from approximately 2.4 acres to approximately 3.2 acres and improve the overall functionality and usability of the future park.

The City obtained an appraisal and negotiated a purchase price based on appraisal information, market conditions, and discussions with the property owner. Staff recommends a purchase price of \$8.6 million. In addition to the purchase price, the City would pay customary escrow, title, and closing costs associated with the acquisition.

The following key terms are proposed for inclusion in the Purchase and Sale Agreement:

- The City will purchase the property for \$8.6 million and pay customary closing costs.
- The purchase will remain subject to completion of title review and environmental due diligence.

The total acquisition and related property costs are estimated at approximately \$9.0 million, consisting of:

- \$8.6 million for acquisition of the property.
- \$50,000 for customary escrow, title and closing costs.
- \$300,000 for demolition of the existing structures.
- \$50,000 for temporary fencing and site security.

The existing structures on the property are vacant and in poor condition. Demolition would facilitate future park construction and reduce the risk of unauthorized access or nuisance activity pending future park development.

Environmental Clearance

In accordance with the requirements of the California Environmental Quality Act (CEQA), under Public Resources Code Section 21080.28, CEQA does not apply to the acquisition of land for preservation of lands for park purposes. Acquisition of these properties has also been determined to be categorically exempt as Class 25, acquisition to preserve lands for park purposes.

FISCAL IMPACT

The total cost to acquire 975 Terra Bella Avenue, including incidental real estate expenses and property-related costs, is estimated at approximately \$9.0 million. Funding is available from the Park Land Dedication Fund (Attachment 1). The recommended funds were collected within a one-

mile radius of the project site and, consistent with the City’s Park Land Dedication Ordinance, are eligible for use on this project. Staff recommends appropriating \$8.65 million for the acquisition and closing costs and appropriating an additional \$350,000 to the existing San Rafael Park, Design and Construction, Project 24-36, for demolition of existing structures, temporary fencing, and site security.

Design and construction of a future 3.2-acre park are currently estimated to cost between \$8 million and \$10 million. Design work is already underway for the first 2.4-acre portion of the park included in CIP 24-36.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a “license, permit, or other entitlement for use” if the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

SUBJECT TO THE LEVINE ACT

Contract or franchise agreement

ALTERNATIVES

1. Do not approve the acquisition of the property.
2. Authorize a different amount for the purchase of the property.
3. Appropriate project funding from another source than the Park Land Dedication Fund.
4. Provide other direction.

PUBLIC NOTICING

Agenda posting, and a copy of this report was sent to the property owner and the property owner's broker.

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Attachment: 1. Park Land Dedication Fund Commitment