

Chapter 3.06

SURPLUS REAL PROPERTY

(2262-3/78, 2380-7/79, 2500-8/81, 2636-9/83, 2986-3/89, 3804-6/08)

Sections:

3.06.010 Disposition of surplus real property

3.06.020 Retention of mineral rights

3.06.010 Disposition of surplus real property.

- (a) The City Administrator shall inform the Council when real property belonging to the city is surplus to the needs of the city and recommend to the Council that a resolution be adopted directing the disposition of such surplus real property.
- (b) Resolutions directing the disposition of surplus real property shall declare that the public interest and necessity require the disposition of surplus real property, and shall direct that the surplus real property be disposed of by sale or exchange and shall specify the procedures to be followed in each case. Sales may be made for all cash or on terms. The resolution shall provide that independent appraisals be obtained to establish fair market value of properties being disposed of except in circumstances where the value of the surplus real properties does not justify the expense of the appraisal. Fair market value is the amount that would in all probability have been arrived at between owner willing to sell and purchaser willing to buy. The fair market value appraisal shall have added to it all of city's costs of preparing land for sale including appraisal fees. The resolution shall contain a statement as to how and in what manner the city acquired the property.
- (c) Dispositions of surplus real properties shall be in accordance with the provisions of Articles 8 and 8.5 of Chapter 5 of Part 1 of Division 2 of Title 5 (commencing with section 54220) of the California Government Code when such statutes are applicable and may be made for cash or upon such terms as the Council in its resolution shall direct. When the Council determines that disposition of surplus real property to the owner of the real property adjacent or contiguous to the surplus real property is in the public interest, then, the surplus real property shall first be offered to such property owner on such terms as the Council shall deem just. No surplus real property shall be disposed of in violation of any land use regulation of the city, and insofar as possible dispositions shall be made to implement and further such regulations.

No surplus real property shall be transferred or sold which in itself, as a separate parcel, may not be developed in accordance with provisions of the state Map Act and the subdivision and other applicable ordinances of the city unless such surplus real property is transferred or offered for sale to an adjacent property owner. In the event more than one property owner, adjacent to said surplus real property, desires to acquire ownership of said surplus real property, then the city shall decide the manner in which to divide said surplus real property for transfer or sale to said adjacent property owners.

- (d) The City Council, by resolution, shall declare when it is in the best interest of the city to exchange city-owned surplus real property for other real property. (2262-3/78, 2380-7/79, 2500-8/81)
- (e) Sales, conveyances, and leases of real property to the Redevelopment Agency of the City of Huntington Beach for a redevelopment project shall be exempt from the provisions of this section. (2986-3/89)

- (f) Sales, conveyances, and leases of real property to a public agency empowered to acquire and own real property must comply with Article 8 and 8.5 of Chapter 5 of Part 1 of Division 2 of Title 5 (commencing with section 54220) of the California Government Code when such statutes are applicable, but are otherwise exempt from the provisions of this Section.
(3804-6/08)

3.06.020 Retention of mineral rights. In all instances where the city disposes of surplus real property when the city owns the mineral rights, the instrument of conveyance shall contain the following reservation, retaining for the city such rights:

"EXCEPTING therefrom all oil, gas and other hydrocarbon substances and minerals lying below a depth of 500 feet from the surface of said land, but without the right of surface entry at any time upon said land or within the top 500 feet thereof, for the purpose of exploiting, developing, producing, removing and marketing said substances." (2636-9/83)