

## **FAQS FOR DESIGNATION OF THE CIVIC AUDITORIUM AS SURPLUS LAND**

**FAQ 1: With respect to the City-owned property at Main St. and Pico Blvd. (Civic Auditorium), what is the status of negotiations pursuant to the Surplus Lands Act?**

**ANSWER:** In its closed session meeting on July 25, 2023, the City Council terminated negotiations with Community Corp. of Santa Monica (CCSM). There is no update regarding negotiations with the Santa Monica-Malibu Unified School District.

**FAQ 2: Now that the City has terminated negotiations with CCSM, what's next?**

**ANSWER:** The City is in communications with California Department of Housing and Community Development (HCD) and will provide additional updates as they are available.

**FAQ 3: Is the Civic Auditorium designated as "surplus land" within the meaning of the Surplus Land Act (SLA) (Government Code sections 54220 et seq.)**

**ANSWER:** Yes, the Civic Auditorium was designated as surplus land by the City Council at the City Council meeting on October 11, 2022. The October 11, 2022, meeting agenda, supporting materials, and minutes of the Council's vote are available on the City Council's [agenda website](#).

**FAQ 4: Why was the Civic Auditorium designated as "surplus land"?**

**ANSWER:** Under the SLA, "surplus land" may be designated as such by a local agency when the land is surplus and "is not necessary for the agency's use". Gov't Code § 54221(b)(1). The SLA Guidelines adopted by the State of California Department of Housing and Community Development (HCD), which are posted on their [website](#), defines "agency's use" as land that is planned to be used pursuant to a written plan for agency work or operations, including utility sites, watershed property, land being used for conservation purposes, land for demonstration, exhibition, or educational purposes related to greenhouse gas emissions, and buffer sites near sensitive governmental uses, including wastewater treatment plants. *"Agency's use does not include commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development."* SLA Guidelines p. 7, Section 102(d).

As explained in the October 11, 2022 staff report, the Civic Auditorium is seismically deficient. The City, through its Redevelopment Agency, planned on spending \$51.9 million (in 2009 dollars) to fund improvements to renovate and reuse the Civic; however, the City was unable to fund the renovation when the State dissolved all redevelopment

agencies. The Civic Auditorium has been closed since 2013. The City attempted twice through a competitive Request for Proposals process to find a private commercial partner, most recently in 2017, to renovate and operate the Civic, but negotiations concluded in 2019 due to project feasibility concerns. The City also engaged in an extensive community visioning process for the Civic and public-private partnership opportunities. The SLA was then amended in 2020 to make it more difficult for local agencies to repurpose property for commercial uses without first requiring agencies to negotiate disposition of property for affordable housing. In 2019, a California court of appeal held that the state could subject a charter city (like Santa Monica) to restrictions in the manner of disposal of surplus land for affordable housing development. *Anderson v. City of San Jose* (2019) 42 Cal. App. 5th 683. Consequently, the City must comply with the SLA noticing and good faith negotiation process before negotiating and entering into any agreement for sale or leasing of the property for any commercial purpose.

**FAQ 5: By declaring the Civic Auditorium as “surplus land,” does this mean the City will only sell the property?**

**ANSWER:** No, under the SLA, a “disposition” of surplus land includes sale or leasing, which HCD has opined applies to leasing for five or more years.

**FAQ 6: What is the current status of negotiations for the Civic Auditorium?**

**ANSWER:** Under the SLA, the City was required to conduct a 60-day notice of availability (issued on November 11, 2022) of the Civic property to all affordable housing providers who are listed on HCD’s website as well as to the school district. Gov’t Code § 54222. After the City received a notice of interest from two proposers, the City was required by the SLA to enter into good faith negotiations for a minimum period of 90-days with any affordable housing developer that expressed interest to determine a mutually satisfactory sales price and terms or lease terms. Gov’t Code § 54223. Confirmation that good faith negotiations have been conducted in accordance with the SLA must be confirmed by the State Department of Housing and Community Development (HCD) per Government Code section 54230.5(b)(1) before the City can agree upon any disposition (sale or lease) of the Civic. See p. 4-5 for reference.

**FAQ 7: Will the public have the opportunity to provide input before the City agrees to any terms of negotiations for sale or lease?**

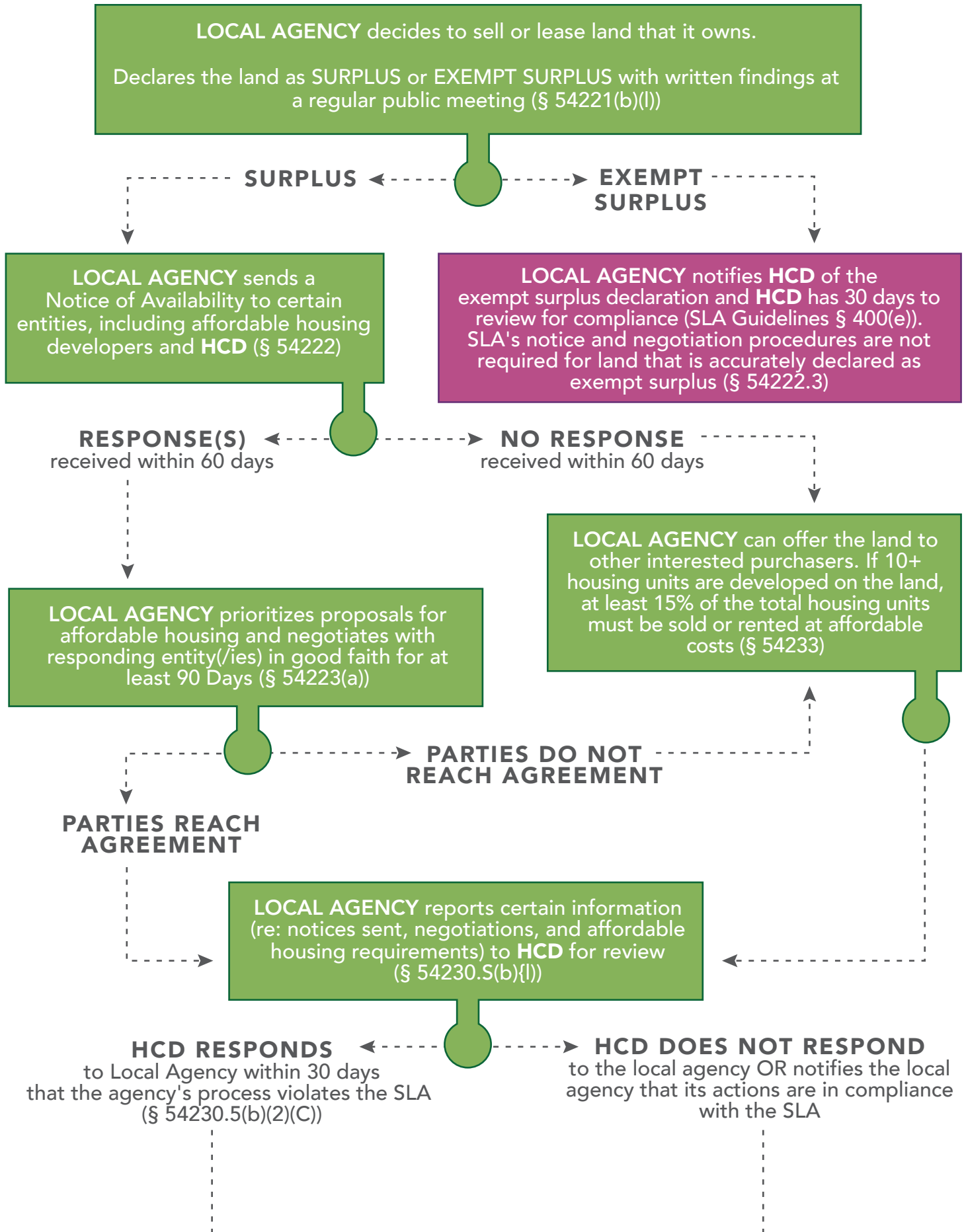
**ANSWER:** Yes, any negotiations conducted by staff would need to be approved by Council in open session at a public meeting. Any entitlements for future use (including, potentially, amendments to the Civic Center Specific Plan, resolution of the landmark

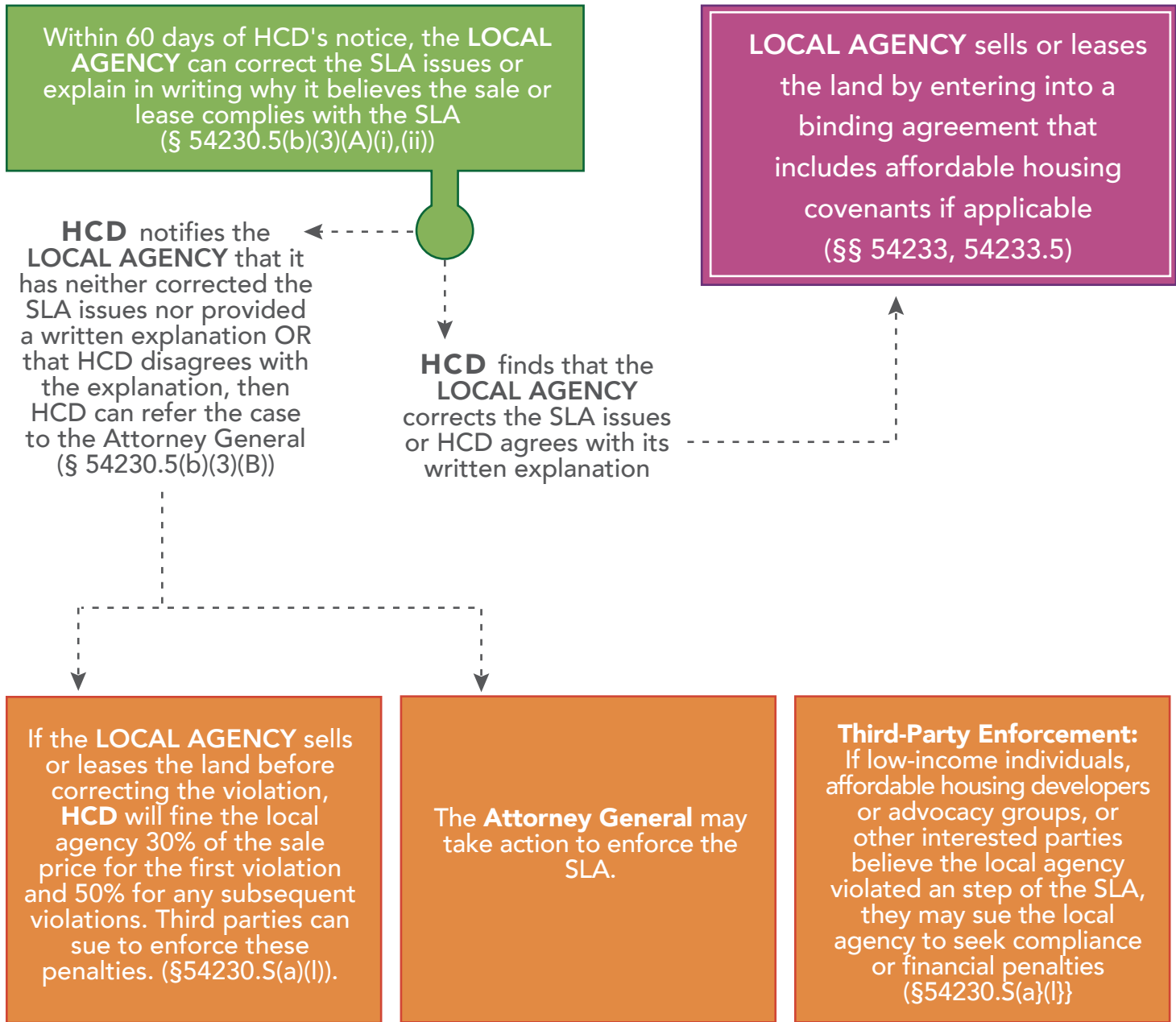
status of the building, environmental review, and all other discretionary planning actions), would still need to proceed through the normal public process. Currently, the Civic Center Specific Plan does not allow for housing to be built within the plan area. As stated, above, changes to the zoning and Specific Plan would require public hearings and community input.

HCD also has [FAQs pertaining to the SLA](#).

# THE SURPLUS LAND ACT *Process*

Actions required by local agencies & the California Department of Housing and Community Development (HCD)





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