



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Councilmember
Donald Rocha

SUBJECT: RANCHO DEL PUEBLO

DATE: September 1, 2011

Approved

Don Rocha

Date

9/1/11

RECOMMENDATION

I recommend that prior to the City Council's deliberation on the General Plan designation for Rancho del Pueblo Golf Course at its October 28th meeting, staff provide the Council with analysis of what other significant land assets could be sold to repay debt. Such analysis should include:

- An inventory of land assets owned by either the City, Redevelopment Agency, or San Jose Diridon Development Authority that could potentially be sold. This inventory can exclude small parcels that would return de minimis revenue and parcels designated as parkland that would require voter approval to sell.
- For each property listed, an accounting of the amount of debt outstanding, appraised value (if available), amount of revenue (if any) that is derived from the asset, annual or monthly debt payment, years until debt obligation is met, and any restrictions the land carries. This information should be provided for the Rancho del Pueblo property as well.

ANALYSIS

During Council discussion of the Mayor's June Budget Message, I pointed out that if the Council directs staff to bring forward a decision on the sale of Rancho del Pueblo as suggested by the Mayor, it should also ask staff to bring forward an inventory of City land assets. Such an inventory is important information for the Council and the community to have because in addition to this being a fiscal issue and a land use decision, this is also an asset management decision. To the extent the Council does consider selling land, it should be aware of the entire inventory of assets that could potentially be sold to pay down debt in order to reduce the budget deficit. The City and its affiliated agencies own many other assets besides Rancho del Pueblo; the intent of my request is that staff inform us of what other assets could be sold instead of, or in addition to, Rancho del Pueblo.

My concern is that we might consider the conversion of valuable open space without consideration of why this asset is less valuable and more expendable than other assets throughout the City. I believe it is necessary to have the information available in time for Council consideration at the October 28th meeting in order not to delay the process.