



San Francisco Public Utilities Commission

Sale of 10,925 Sq. Ft. Parcel to Santa Clara Valley Water District

July 20, 2022

Anthony Bardo, Real Estate Services Division

Depiction of Property



No Utility Use of the Property

- The SFPUC has no utility use for the Property, which was deemed underutilized per an SFPUC statement of underutilization for the Property, dated December 18, 2015, signed by the Assistant General Managers of the Water, Wastewater, and Power Enterprises.
- The SFPUC proposes to sell the Property to Valley Water at the fair market value of \$33,000 to raise needed funds for the Water Enterprise.
- The City of Sunnyvale will continue to maintain the concrete ramp structure under a new agreement with Valley Water.

Competitive Bidding Impractical

- Valley Water has the authority to exercise the power of eminent domain and compel the City to sell the Property that it uses for its district purposes, including accessing their nearby facilities.
- In this case, a competitive bidding process under Section 23.3 of the Administrative Code is impractical and otherwise not in the public interest because the sale of the Property to Valley Water will avoid the expense, time, effort, and risk of eminent domain litigation.

Exempt Surplus Property

- The Property is “surplus land,” as defined in California Government Code Section 54221(b), because it is owned in fee simple by the City and not necessary for the City’s use.
- The Property is “exempt surplus land,” as defined in California Government Code Section 54221(f)(1)(D), because it is surplus land that the City is transferring to another local agency for the agency’s use.

Fair Market Appraisal

- A City–retained MAI appraiser determined the fair market value of the Property as of February 25, 2021 to be \$33,000. The City’s Director of Property approved the appraisal on May 26, 2021.
- The MAI appraiser updated its appraisal as of December 20, 2021 where it confirmed its original value conclusion of \$33,000. The City’s Director of Property approved the updated appraisal on January 19, 2022.

Commission and Board Approval

- On April 12, 2022, by Resolution No. 22-0070, the San Francisco Public Utilities Commission approved this sale.
- The SFPUC requests that the Budget and Finance Committee recommend this resolution to the full board.