





**City Council**

**Item #10: Resolution  
Declaring the Loyalton  
Property Surplus**

RTC #22-548

May 24, 2022



**Background**

- Loyalton Property - 10,270 rural acres of undeveloped land in Lassen and Sierra Counties near the California-Nevada border
- Purchased the property with Electric Utility funds in 1977 for \$1,613,850
- December 14, 2021 - City Council directed staff to develop a strategy for the sale of Loyalton
- March 8, 2022 - City Council voted to Note and File the Strategy and Next Steps for the sale of Loyalton
  - Complete an updated Appraisal for the property.
  - Schedule tours of the property for Councilmembers who are interested to visit the site.
  - Schedule for City Council consideration declaration of the property as Surplus Land.



## Discussion

- Updated Appraisal - Completed
  - Valbridge Property Advisers completed an appraisal for the property (Attachment 1). The property was appraised at \$4,370,000.
- City Council Member's Visited Loyalton
  - Completed on April 26
- Consideration to Declare of Property As Surplus
  - Resolution declares the property as Surplus Land.
  - Council finds that the City owns the Property in fee simple, the City does not currently use it, and the City has no written or adopted plan for future use.
  - Council finds that the Property has not been suitable for its intended electric utility purposes.
  - The Property is no longer necessary for the City's use or operations and thus should be declared surplus.



## Next Steps

- Notice of Availability
  - If the City Council adopts the proposed Resolution declaring the Loyalton Ranch as Surplus Land, staff will proceed with issuing a Notice of Availability (NOA)
- After the City issues the NOA, it cannot take any action to dispose of the Loyalton Ranch Property for 60 days
- If the City receives one or more responses to the NOA within those 60 days, the City must engage in good faith negotiations with the responding parties for at least 90 days
- There are specific requirements regarding accepting and rejecting certain types of offers, and the City will provide the City Council with any necessary updates as the process continues



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**Melissa Lee**

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**From:** Tahir Naim <tahirjnaim@yahoo.com>  
**Sent:** Tuesday, May 24, 2022 8:46 AM  
**To:** Mayor and Council  
**Subject:** Loyalton Ranch Surplusage

Hi,

If evaluation for development as a solar farm utilizing carbon offset credits rather than direct transmission to our fair city has already occurred, I support an appraised disposal or better, a land swap if possible.

As I recall my home electricity is now "all solar" through the use of offset purchases by SVP.

If already evaluated and eliminated, let's get rid of this property from our books. Hopefully the value of mineral rights, if any, have been considered.

Sincerely,

Tahir J. Naim

**POST MEETING MATERIAL**