



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



9

November 13, 1990

Budget & Finance Committee  
Transportation/Community  
Development Committee  
Sacramento, CA

Honorable Members in Session:

SUBJECT: Acquisition Settlement for Del Paso Heights  
Redevelopment Area Property at 3601 Rio Linda  
Boulevard - Redevelopment Agency vs. Rocks Investment  
Company

SUMMARY

The attached report is submitted to you for review and  
recommendation prior to consideration by the Redevelopment  
Agency of the City of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached resolutions  
approving the settlement.

Respectfully submitted,

ROBERT E. SMITH  
Executive Director

TRANSMITTAL TO COMMITTEE:

WALTER J. SLIPE  
CITY MANAGER

Attachment



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



November 20, 1990

Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

Honorable Members In Session:

**SUBJECT:** Acquisition Settlement for Del Paso Heights Redevelopment Area Property at 3601 Rio Linda Boulevard, Redevelopment Agency vs. Rocks Investment Company

**SUMMARY**

This report addresses the settlement of the eminent domain action for acquisition of 3601 Rio Linda Boulevard (formerly containing Rock's Liquor Store) in the Del Paso Heights Project Area and the need to amend the Agency's budget to provide the additional funds required for the settlement.

**BACKGROUND**

In 1989, the Agency adopted a Just Compensation Resolution and a Resolution of Necessity authorizing acquisition by eminent domain of 3601 Rio Linda Boulevard (Assessor's Parcel Number 251-0131-011), the former location of Rock's Liquor store (see Attachment A). This parcel was targeted for acquisition since it is a site suitable for housing development. The Agency has recently approved the plans for the Rural California Housing Corporation's construction of single-family homes on a consolidated site including this parcel.

In September 1989, the Agency deposited \$68,000 as the appraised value of the property only (as determined by appraisal of Howard A. Pearson and Associates dated February 1989) with the superior court of the State of California. The Agency conducted a second appraisal establishing the value of the property and goodwill. The owner's appraisal for the property is \$100,000. In addition, the owner's appraisal established goodwill at \$90,000. After reviewing our appraisals, are satisfied with the owner's combined appraisal of land and goodwill of \$190,000. The Agency and the owners have reached a tentative agreement on settlement of all claims on the property. The amount has been determined to be \$190,000 plus interest which has accrued from the date of the Agency's possession of the property on February 9, 1990. It is our attorney's belief that we will do no better at trial.

11-20-90  
D-2

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Redevelopment Agency of the  
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## **Requested Action**

Staff requests governing body approval to reallocate \$132,000 from the Altos Avenue capital improvement project to fund the balance of the compensation awarded in the proceeding.

Though this affects the Agency's ability to construct the curbs, gutters and street lighting envisioned in the original Altos Avenue project, the Agency is legally committed to the acquisition of this key parcel. Staff is currently in the process of reviewing the Altos Avenue project with the City of Sacramento Public Works Department to determine the scope of the improvements as a result of this funding reduction.

## **FINANCIAL DATA**

This report proposes the transfer of \$132,000 from the Altos Avenue project to Rio Linda Boulevard Housing Development. The balance available for the Altos Avenue project is \$468,000.

## **ENVIRONMENTAL REVIEW**

A negative declaration (Control No. 181-ND-89) was adopted by the Agency on June 27, 1989.

## **MBE\WBE**

The actions proposed in this report have no MBE\WBE impact.

## **POLICY IMPLICATIONS**

The actions proposed in this report are consistent with previously approved policy and there are no policy changes being recommended.

## **VOTE AND RECOMMENDATION OF THE DEL PASO HEIGHTS REDEVELOPMENT ADVISORY COMMITTEE (RAC)**

On June 22, 1989, the RAC adopted a motion authorizing the Executive Director to acquire and demolish the subject property. The RAC subsequently reviewed the judgement and its impact on the Altos Avenue project in executive session at their meeting of October 11, 1990 and made a motion to send a letter to the Sacramento Housing and Redevelopment Commission and the City

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Council expressing their disagreement with the judgement and the use of tax increment funds to finance the additional amount required. The letter requests that City General Funds finance the acquisition. The votes were recorded as follows:

AYES: Nelson, Burney, Perez, Cunningham, Rockwell,  
Feiling, Dinkel, Moore, Sullivan

NOES: None

ABSENT: Pardieck

## VOTE AND RECOMMENDATION OF THE COMMISSION

At its regular meeting of November 7, 1990, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolution. The votes were as follows:

AYES: Amundson, Diepenbrock, Moose, Strong, Wiggins, Yew

NOES: None

NOT PRESENT TO VOTE: Simon, Simpson

ABSENT: Pernell, Williams, Wooley

## RECOMMENDATION

The staff recommends adoption of the attached resolution authorizing settlement of Redevelopment Agency vs. Rocks Investment Company and the transfer of \$132,000 currently in the Agency budget for the Altos Avenue project to Rio Linda Boulevard Housing Development for the purpose of acquisition of 3601 Rio Linda Boulevard.

Respectfully submitted,



ROBERT E. SMITH  
Executive Director

TRANSMITTAL TO COUNCIL:

District 2  
Nov. 20, 1990

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WALTER J. SLIPE  
City Manager

Contact Person: Leslie Fritzsche, 440-1315

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# RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF \_\_\_\_\_

## SETTLEMENT OF EMINENT DOMAIN ACTION FOR ROCK'S LIQUORS PROPERTY AND ALLOCATION OF ADDITIONAL FUNDING FOR DEL PASO HEIGHTS PROPERTY ACQUISITION

WHEREAS, the real property located at 3601 Rio Linda Boulevard, formerly the location of Rock's Liquors, is located within the Project Area designated by said Redevelopment Plan and Implementation Strategy for Project No. 5; and

WHEREAS, the Agency has initiated eminent domain proceedings for the parcel (Redevelopment Agency v. Rock's Investment Company); and

WHEREAS, the Agency has deposited \$68,000 with the court for the parcel; and

WHEREAS, a tentative settlement of all claims related to the property has been made at the amount of \$190,000 plus interest from the date of deposit.

**BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:**

Section 1: The Agency is authorized to settle all claims of the owner in the eminent domain action for the parcel at an amount not to exceed \$190,000 plus interest from the date of deposit.

Section 2: The Agency budget is hereby amended to reflect a transfer of \$132,000 from the Altos Avenue Project to Rio Linda Boulevard Housing Development.

\_\_\_\_\_  
CHAIR

ATTEST:

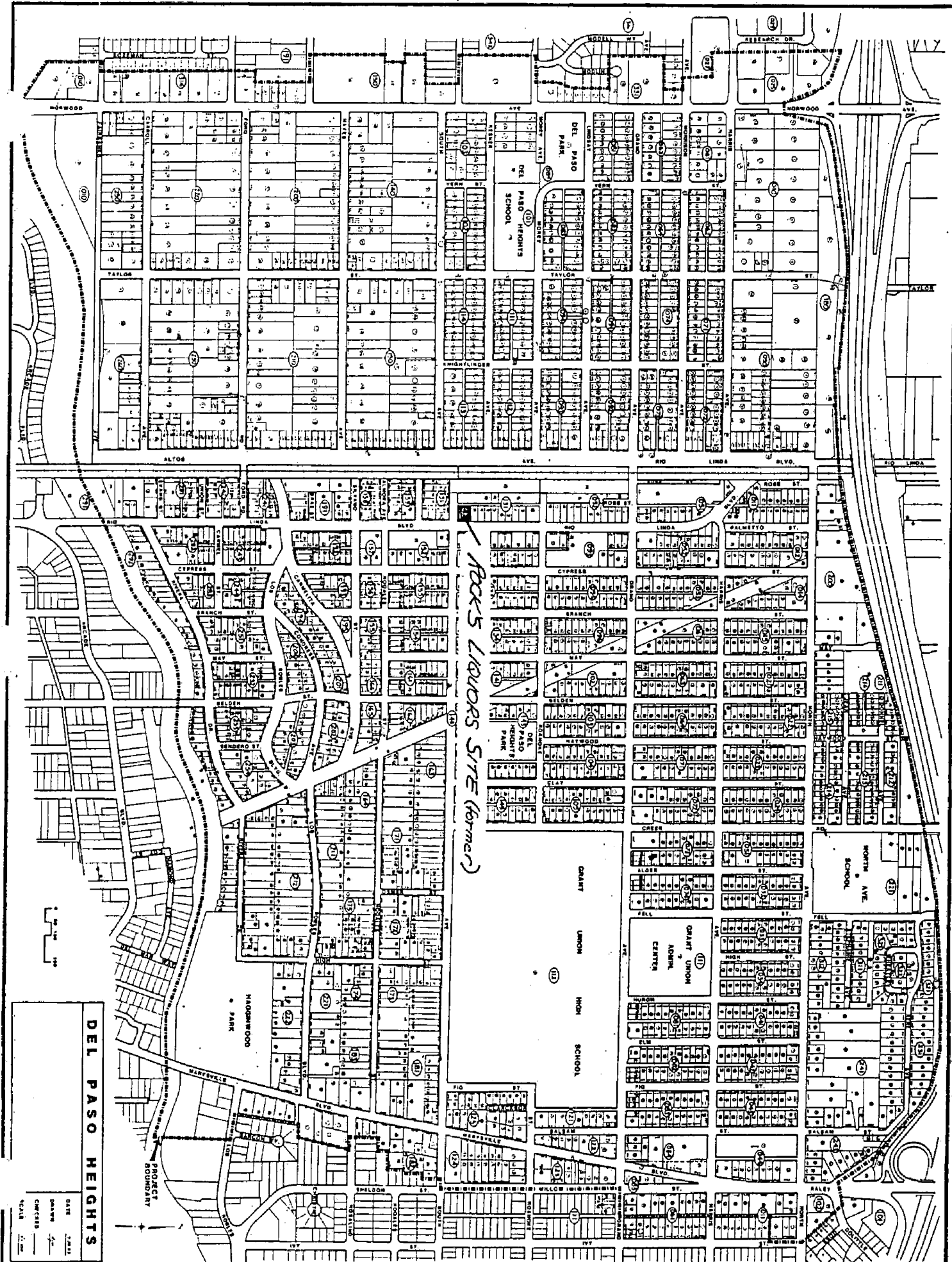
\_\_\_\_\_  
SECRETARY

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_



**DEL PASO HEIGHTS**

DATE: 12/21/14  
 DRAWN: [Signature]  
 CHECKED: [Signature]  
 SCALE: 1" = 100'