



**Sacramento
Housing &
Redevelopment
Agency**

3.2

June 2, 2004

Redevelopment Agency
of the City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: ACQUISITION OF PROPERTIES AT 1120 & 1126 F STREET AND 612 12th
STREET

LOCATION & COUNCIL DISTRICT

Alkali Flat Redevelopment Area
District 1

RECOMMENDATION

Staff recommends adoption of the attached resolution on page 5, which authorizes the Executive Director to:

- Make an offer to purchase the properties at 1120 & 1126 F Street and 612 12th Street (APN's 002-0157-005, 006 and 008) based on just compensation.
- Set just compensation for the three properties as determined by an appraisal;
- Take all other actions necessary to purchase the properties on a voluntary basis;
- Transfer \$560,000 to the 1120 & 1126 F Street and 612 12th Street Project from the Alkali Flat Development Assistance Fund for all actions necessary to purchase the properties.

CONTACT PERSONS

Lisa Bates, City Community Development Director, 440-1316
Vickie Smith, Program Manager 440-1399, x1417

FOR COUNCIL MEETING OF– June 15, 2004

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SUMMARY

This report recommends the Agency negotiate for the purchase of the three privately owned properties located 1120 & 1126 F Street and 612 12th Street for the development of an outdoor play area for children using the Alkali Flat Boys & Girls Club.

PAC ACTION

At its meeting on April 21, 2004, the Alkali Flat Project Area Committee adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Parra, Camacho, Owen, Prosser, Frankfield, Martinez, Wright, Lough, DelGado

NOES:

ABSENT: Williams, Hill, Cuellar, Carrera, Lopez

COMMISSION ACTION

At its meeting June 2, 2004, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Burruss, Farley, Gore, Harland, Hoag, Stivers, Simon

NOES: None

NOT PRESENT TO VOTE: McCarty

ABSENT: Burns, Coriano, Piatkowski

BACKGROUND

In 1999, the construction was completed for first Boys and Girls Club in the Sacramento region at 1117 G Street in Alkali Flat. The Club has proven to be a valuable asset to Alkali Flat and the surrounding community. A key element lacking at the Club; however, is an outdoor play area for children using the facility.

In late 2003, the Alkali Flat Project Area Committee (PAC) began discussing the feasibility of purchasing vacant properties located at 1120 & 1126 F Street and 612 12th Street to contribute to the Boys and Girls Club for use as outdoor play area space. Attachment I is a map that shows the location of the parcels. Agency staff met with staff from the Boys and Girls Club to determine their interest in financing the development of this area into a playground if the properties were available. Boys and Girls Club staff expressed an interest and on April 28, 2004 the Boys and Girls Club governing board approved the proposal for the Club to raise funds for the development of the site. Agency staff has estimated that a budget of approximately \$215,000

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will be needed for site development. The development includes landscaping, lighting, fencing, benches, tables, drinking fountains and other park amenities used for sporting activities. Staff from the Boys and Girls Club envision this to be the desirable level of improvements to serve their facility at this time. Additional amenities, such as playground equipment may be added in the future as the needs of the club change, but are not deemed necessary at this time.

If the purchase offer is accepted by existing owners, the Agency would purchase the properties and then negotiate a Disposition and Development Agreement (DDA) with the Boys and Girls Club. The DDA will require that the Club raise funds for site development and assume all responsibility for maintenance of the site in exchange for receiving the property at no cost. A regulatory agreement restricting the use of the property will be included in the DDA. Boys and Girls Club staff have estimated that they will need one to two years to raise funds for the development. Approval of the DDA will be subject to subsequent PAC and Agency approval. Should the Boys and Girls Club not be able to meet the requirements of the DDA, ownership of the land would remain with SHRA and would likely issue an RFP to facilitate a commercial or residential project.

FINANCIAL CONSIDERATIONS

The costs of acquisition and environmental analysis are estimated to be a total of \$560,000. A project budget in this amount will be established by transferring funds from the Alkali Flat Development Assistance Fund to the 1120 & 1126 F Street and 612 12th Street Project. The actions recommended in this report authorize the Agency to purchase the properties voluntarily.

POLICY CONSIDERATIONS

The acquisition and redevelopment of the 1120 & 1126 F Street and 612 12th Street parcels is consistent with community development goals for the Alkali Flat Redevelopment Area Implementation Plan. The project meets the following objectives in the Alkali Flat Redevelopment Area Implementation Plan: eliminating blight and environmental deficiencies within the Project Area. This report is also consistent with the City's Strategic Plan goal to preserve and enhance neighborhoods.

ENVIRONMENTAL REVIEW

Acquisition of parcels as described herein is in furtherance of the Alkali Flat Redevelopment Plan. Pursuant to California Environmental Quality Act ("CEQA") Guidelines Section 15180, actions to eliminate blight and encourage redevelopment in a redevelopment area were deemed approved at the time of adoption of the redevelopment plan and the Program EIR. Once the scope of development of these parcels has been defined through the Disposition and Development Agreement process, environmental review of the proposed project will be conducted. Acquisition of property does not commit the Agency to proceed with a project. Subsequent environmental review once the project has been defined is authorized under CEQA

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pursuant to *Stand Tall on Principles vs. Shasta Union* (235 Cal App 3rd 772). NEPA does not apply.

M/WBE CONSIDERATIONS

The items discussed in this report have no M/WBE impact; therefore M/WBE considerations do not apply.

Respectfully submitted,



ANNE M. MOORE
Executive Director

Transmittal approved,



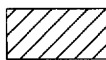
ROBERT P. THOMAS
City Manager

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Legend

 Proposed Acquisitions



Proposed Property Acquisition
1120 and 1126 F Street
612 12th Street

RESOLUTION NO. _____

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

1120 & 1126 F STREET AND 612 12th STREET ACQUISITION PROJECT

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

Section 1. The Redevelopment Agency of the City of Sacramento (Agency) has reviewed the actions authorized herein and hereby finds and declares that the Agency has complied with all environmental laws, regulations and policies as further described and stated in the accompanying staff report, and its attachments, which are incorporated herein by this reference, and that this acquisition is consistent with the Alkali Flat Redevelopment Plan and the Alkali Flat Redevelopment Area Implementation Plan.

Section 2. Just Compensation for two properties located at 1120 and 1126 F Street (APN's 002-0157-005 and 006, respectively) which are owned by the 12th Street Associates, and Just Compensation for one property located at 614 12th Street (APN 002-0157-008) which is owned by Javed and Amna Siddiqui, which collectively comprise the 1120 & 1126 F Street and 612 12th Street Acquisition Project, is set as the price that these owners would be willing to sell their properties to the Agency based on an appraisal, and the amount is fair and reasonable and does not exceed the fair market value for these parcels, collectively referred to as "Properties".

Section 3. The Executive Director, or her designee, is hereby authorized to purchase the Properties for not more than Just Compensation.

Section 4. The Executive Director, or her designee, is hereby authorized to take all other actions necessary to purchase the Properties voluntarily from the owners.

Section 5. The Executive Director is authorized to transfer \$560,000 from the Alkali Flat Developers Assistance Fund to the 1120 & 1126 F Street and 612 12th Street Acquisition Project to pay for all actions necessary to purchase the Properties.

CHAIR

ATTEST:

SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____