



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



6

November 14, 1989

Budget and Finance Committee
of the City Council
Sacramento, CA

Honorable Members in Session:

SUBJECT: Just Compensation Determination for 800 Grand Avenue
in the Del Paso Heights Redevelopment Area

SUMMARY

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

RECOMMENDATION

The staff recommends approval of the attached resolution approving the just compensation determination for the Del Paso Heights Redevelopment Project Area.

Respectfully submitted,

ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COMMITTEE:

JACK R. CRIST
Deputy City Manager

Attachment



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



November 21, 1989

Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Just Compensation Determination for 800 Grand Avenue
in the Del Paso Heights Redevelopment Area

SUMMARY

This report recommends establishment of just compensation for the property located at 800 Grand Avenue in Del Paso Heights as established by the appraisal report. The report also recommends authorization for the Executive Director to take all actions necessary to consummate the purchase of the property; to deed the property to the Ibox Group for use as part of the Woodhaven Elderly project; necessary budget amendments; and, recognition of the Exempt status of the project per CEQA section 15061(b)(3).

BACKGROUND

On June 27, 1989 the City Council adopted Resolution No. 89-056 authorizing execution of an Owner Participation Agreement between the Agency and the Ibox group for development of the Woodhaven Elderly Project located at Grand Avenue and Rio Linda Boulevard in the Del Paso Heights Redevelopment Area. As part of this project, we, the developers and the lenders all feel that acquisition of the adjacent parcel would strongly enhance the development.

The proposed acquisition is located at 800 Grand Avenue (Assessor's Parcel Number 251-0092-013) on the southwest corner of the Sacramento Northern Bikeway and Grand Avenue, adjacent to the Woodhaven site. A vacant office building is located on the site. A parcel and location map is attached as Exhibit A. Staff has entered into a contract with Howard A. Pearson and Associates, an MAI real estate appraiser, to appraise the subject parcel. Copies of the appraisal report will be available on November 10, 1989 in the Agency's Legal Department.

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Following acquisition, the site will be deeded to the developer, who will improve the site with redwood decks, tenant garden sites, landscaping, parking, and fencing. Attached as Exhibit B is an outline of the specific improvements which will be made to the site.

In the event that the Agency chooses to exercise the option to purchase the Woodhaven project at the end of 10 years as provided in the OPA, the cost to purchase the 800 Grand Avenue parcel will be subtracted from the purchase price paid for the Woodhaven project.

FINANCIAL DATA

The Agency will offer to purchase the property for the appraised value, and will negotiate with the seller in hopes of reaching agreement on the purchase price. Cost of acquisition will be established by the appraisal. The cost to cover acquisition and associated expenses is estimated to not exceed \$120,000. Funds are available in two Del Paso Heights tax increment cost centers authorized for this purpose. Staff recommends combining these cost centers as set forth in Exhibit "C."

ENVIRONMENTAL REVIEW

CEQA: This action is exempt from environmental review per General Rule exemption 15061(b)(3), which states that CEQA applies only to projects which have a potential for causing a significant effect on the environment.

NEPA: Not applicable - No federal funding involved.

MBE/WBE

The Agency will follow standard procedures requiring bidding contractors to document their good faith efforts to utilize minority and women owned businesses as subcontractors on any contracts to secure the subject site.

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POLICY IMPLICATIONS

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

VOTE AND RECOMMENDATION OF THE REDEVELOPMENT ADVISORY COMMITTEE (RAC)

On June 22, 1989 the Redevelopment Advisory Committee (RAC) voted to approve staff's recommendations to proceed with development of the Woodhaven Elderly Project, which included investigation of the action necessary to acquire the subject parcel. The Del Paso Heights Redevelopment Advisory Committee (RAC) is scheduled to hear this project at its November 9, 1989 meeting.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of November 13, 1989, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolution. The votes were as follows:

AYES:

NOES:

ABSENT:

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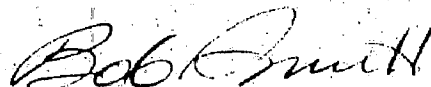
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STAFF RECOMMENDATION

Staff recommends adoption of a resolution which establishes just compensation of the subject parcels, authorizes the Executive Director to proceed with negotiations for the purchase and to take all actions necessary to consummate the purchase of the property, authorization to deed the property to the Ibex Group for use as part of the Woodhaven Elderly project, approves budget amendments as outlined in Exhibit "C", and recognizes the exempt status of the project per CEQA Section 15061(b)(3).

Respectfully submitted,



ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE
City Manager

Contact Person: Anne Moore - 440-1315

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RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

APPROVING JUST COMPENSATION DETERMINATION FOR DEL PASO HEIGHTS REDEVELOPMENT PROJECT AREA

WHEREAS, the Revitalization Strategy for the amended Del Paso Heights Plan identifies action areas in Del Paso Heights for redevelopment, within one of which action areas Assessor's Parcel Number 251-092-013 is situated; and

WHEREAS, an appraisal report establishing the respective fair market value of said parcel has been prepared by Howard A. Pearson, MAI, of Howard A. Pearson and Associates; now, therefore.

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

Section 1: The just compensation for said parcel is the sum of \$ _____ as specified in the appraisal report of Howard A. Pearson and Associates, as of November ____, 1989.

Section 2: The Executive Director is authorized to negotiate the purchase of the property identified hereinabove and to take all action necessary to consummate the purchase including authorization of expenditures for relocation and other related acquisition costs, provided that the purchase price of the parcel does not substantially exceed its appraised value.

Section 3: The Executive Director is authorized to deed the property to the Ibex Group for use in the Woodhaven Elderly project as described in Exhibit B to the staff report.

Section 4: The Agency Budget is hereby amended as set forth in Exhibit C to the staff report.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

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Section 5: The Agency hereby recognizes the Exempt status of the project per CEQA Section 15061(b)(3).

Section 6: This resolution shall take effect immediately.

CHAIR

ATTEST:

SECRETARY

1100WPP2-370

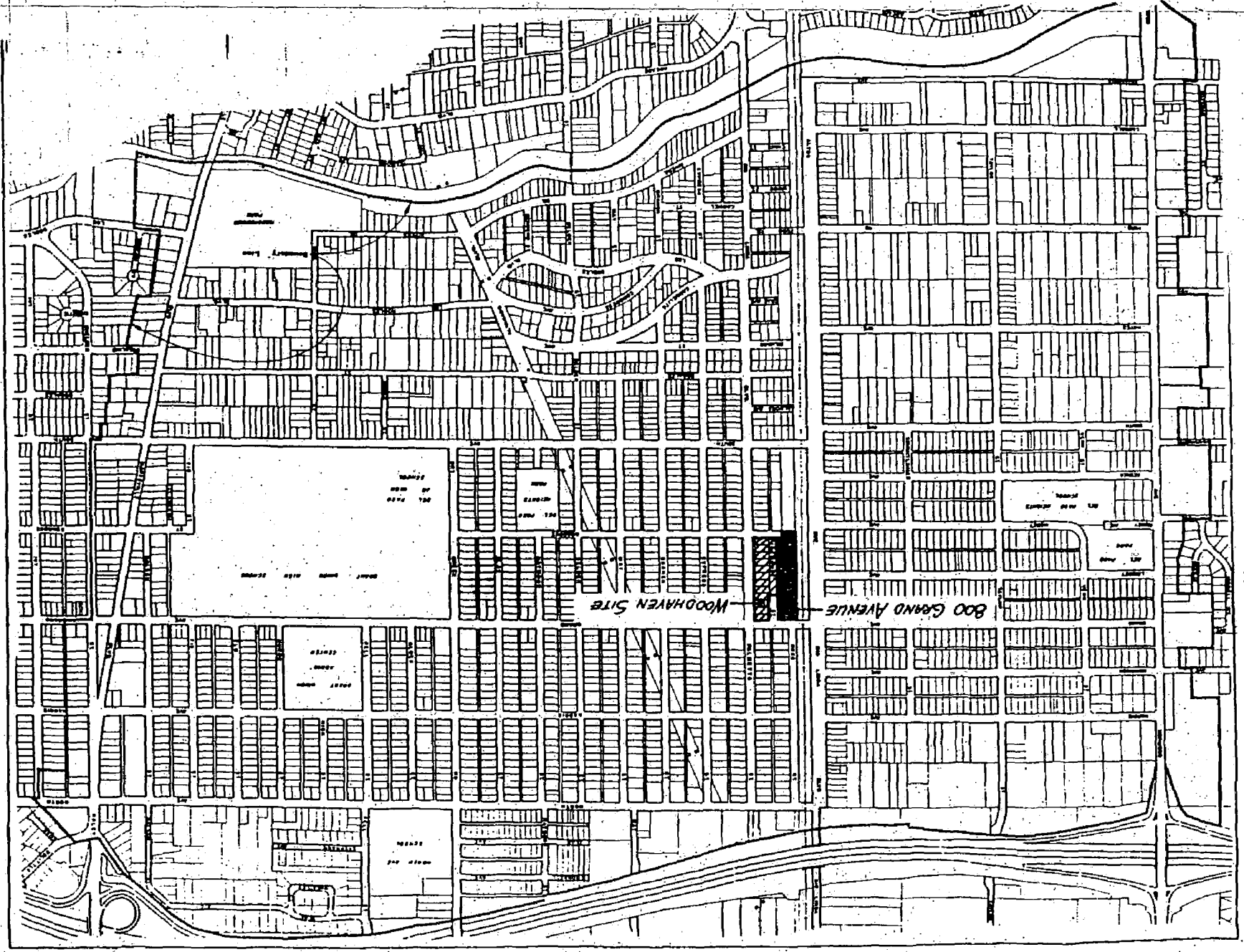
FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

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(7)



Estimated Cost of Improvements to Property West of WoodhavenI. Grounds

• Fencing 1260 L.F.	\$7,560
• Lawn Sodding 12,700 Φ	12,700
• R.W. Headers 1350 L.F.	3,375
• Top Soil for Tenant Gardens 252 cu. yds.	5,040
• Sand - Horseshoe Pits	920
• Miscellaneous	5,000
• Burden	<u>1,337</u>
	\$35,932

II. Community Building

• Canopy	\$2,286
• Deck	2,500
• Demolition of Wall	486
• New Doors and Windows	1,900
• Painting	<u>500</u>
	7,672
TOTAL I & II	<u>\$43,604</u>

III. Surplus Parking (If necessary)

30 Stalls 12,000 Φ \$15 - 20,000

CHART A: RECOMMENDED REPROGRAMMING ACTIONS

COST CENTER	PROJECT	CURRENT ALLOCATION	RECOMMENDED ALLOCATION	NET CHANGE	COMMENTS
A01504	DPH Rio Linda Blvd. Housing	\$275,503	\$215,503	- \$60,000	Surplus funds are being reprogrammed.
A01503	DPH Replacement Housing	\$590,326	\$650,326	\$60,000	After this reallocation \$128,346 will be available in cost center A01503 for the purchase of the parcel.

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