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OFFICE OF THE
CITY MANAGER

CITY OF SACRAMENTO
CALIFORNIA

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APPROVED
BY THE CITY COUNCIL

APR 16 1991

OFFICE OF THE
CITY CLERK

AG 91-068

April 16, 1991

City Council
Sacramento, California

Honorable Members In Session:

SUBJECT: Sacramento Community/Convention Center Expansion (PA10) Authority to Execute Purchase And/Or Relocation Contracts with Business Tenants of the Naify and Scofield Properties

SUMMARY

The City Council is requested to authorize the City Manager to execute certain agreements with business tenants displaced from the Naify and Scofield properties by the Community/Convention Center Expansion project. Such agreements cover legal entitlements of the business tenants including purchase of certain tenant property and/or payment of relocation expenses.

BACKGROUND

On May 22, 1990, the City Council adopted Resolution 90-408 establishing just compensation and authorizing the City Manager to tender and offer to acquire the Naify properties located on the south side of J Street between 14th and 15th Streets for the appraised value of $6,660,000. The offer was subsequently rejected and a Resolution of Necessity was adopted by the City Council on August 14, 1990. The Order of Possession was signed by the Superior Court on August 21, 1990. The 90-day notice to vacate was issued on October 9, 1990. Tenant were allowed to remain until February 24, 1991.

On July 31, 1990, the City entered into an agreement with Arthur P. Klingensmith to administer relocation services for each tenant of the Naify and Scofield properties, as required under the California Uniform Relocation Act. Since that time numerous

meetings have occurred between Mr. Klingensmith and the business tenants for the purpose of advising them of their legal entitlements, assisting them with their relocation efforts, and developing the tenant property purchase agreements and relocation claims. The agreements and claims are reviewed by the Public Works Real Property Section, the City Attorney's Office, and by myself.

The projected expense for each business tenant is:

TENANT	AMOUNT
Naify Enterprises	$ 10,000
Beers Books	25,000
Champion Sports	5,000
David's Brass Rail	55,000
Regency Styling Center	40,000
Senator Salon	3,800
Debbie Drake	12,000
Coastal Resource Center	15,000
La Boulangerie	50,000
Goodyear Shoe Repair	35,000
Le Grande Confectionary	15,000
For Friends Only	60,000
Camera Center	45,000
Systems Parking	2,500
Expresstel (Scofield Bldg.)	12,500
TOTAL	$373,300

FINANCIAL DATA

The Community/Convention Center Expansion project budget is $80,000,000. Current appropriations total $13,818,358, of which $2,167,399 remains unspent. The project line item for relocation expenses for these properties was set at $400,000.

POLICY CONSIDERATIONS

Execution of the specified agreements with business tenants would provide for legal entitlements pertaining to purchase of tenant property and relocation assistance, pursuant to California Code of Regulations, Title 25, Chapter 6, et. seq. and California Government Code Section 7260 et. seq.

MBE/WBE EFFORTS

Not applicable.

RECOMMENDATION

It is recommended that the City Council, by resolution, authorize City Manager to execute tenant property purchase agreements and/or relocation claims for business tenants of the Naify and Scofield properties.

Respectfully submitted,

KEITH T. KRAMER
Senior Management Analyst

Recommendation Approved:

WALTER J. SLIPE
City Manager

April 16, 1991
District 1

CONTACT PERSONS

Keith Kramer, Senior Management Analyst (449-6360)
Craig Thurston, Real Property Supervisor (449-5629)

RESOLUTION NO. 91-276

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

APPROVED BY THE CITY COUNCIL
APR 16 1991
OFFICE OF THE CITY CLERK

RESOLUTION AUTHORIZING EXECUTION OF PURCHASE AND/OR RELOCATION CONTRACTS WITH BUSINESS TENANTS OF THE NAIFY PROPERTY COMMUNITY/CONVENTION CENTER EXPANSION (PA10)

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. That the City Manager is hereby authorized to execute on behalf of the City of Sacramento tenant property purchase agreements and/or relocation claims for business tenants of the Naify Property.

_____
MAYOR

ATTEST:

_____
CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____