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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

March 10, 1981

CITY MANAGER'S OFFICE
RECEIVED
MAR 11 1981

Housing Authority of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Claim of Polk Street Properties, Ltd.

SUMMARY

The attached resolution rejects the claim of Polk Street Properties, Ltd. in the amount of \$353,250.00 for alleged damages pursuant to Section 11.d. of the Lease.

BACKGROUND

Polk Street Properties, Ltd. is the current owner of Polk Street Apartments which was leased for approximately ten years to the "Sacramento City and County Housing Authority"(sic). Pursuant to that Lease, the lessee has a liability to the lessor at the conclusion of the lease term for damages beyond normal wear and tear resulting from willful acts or negligence of the Authority, its employees or tenants. In seeking to resolve the dispute which has arisen regarding the amount of such liability, Authority staff has made a series of settlement proposals to Polk Street Properties, Ltd. All of these proposals have been made subject to the approval of the Governing Boards of the respective Housing Authorities. This claim represents the formal statement of the lessor as to its claim of damages.

FINANCIAL IMPACT

The amount of the claim is \$353,250.00. No financial impact would occur as a result of its rejection.

VOTE AND RECOMMENDATION OF COMMISSION

It is anticipated that at its meeting of March 16, 1981, the Sacramento Housing and Redevelopment Commission will adopt

APPROVED
SACRAMENTO HOUSING AUTHORITY

3/12/81

3-17-81

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority of the
City of Sacramento
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a motion recommending that you take the above-mentioned action. In the event they fail to do so, you will be advised prior to your March 17, 1981 meeting.

RECOMMENDATION

It is the recommendation of the staff that the claim of Polk Street Properties, Ltd. in the amount of \$353,250.00 for damages pursuant to Section 11.d. of the Lease be rejected at this time.

Respectfully submitted,

William H. Edgar

WILLIAM H. EDGAR
Interim Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slipe

WALTER J. SLIPE
City Manager

Contact Person: Brenton A. Bleier

RESOLUTION NO. 81-029

Adopted by the Housing Authority of the City of Sacramento

March 17, 1981

REJECTING CLAIM OF
POLK STREET PROPERTIES, LTD.

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE
CITY OF SACRAMENTO:

Section 1. The claim of Polk Street Properties,
Ltd., dated March 5, 1981, in the amount of \$353,250.00,
is hereby rejected.

CHAIRMAN

ATTEST:

SECRETARY

APPROVED
SACRAMENTO HOUSING AUTHORITY

Date 3/17/81

1 McDONOUGH, HOLLAND & ALLEN
A Professional Corporation
2 DAVID J. SPOTTISWOOD, Esq.
555 Capitol Mall, Suite 950
3 Sacramento, CA 95814
Telephone: (916) 444-3900

4 Attorneys for Claimant

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8 Claim of POLK STREET PROPERTIES,)
LTD.,)
9 Claimant,)
10 v.)
11 HOUSING AUTHORITY OF THE CITY AND)
12 COUNTY OF SACRAMENTO,)
13 Defendant.)

CLAIM FOR DAMAGES
(SECTION 910 OF THE
GOVERNMENT CODE)

14
15 To the City Council of the City of Sacramento and to the Board of
16 Supervisors of the County of Sacramento, acting as the HOUSING
17 AUTHORITY OF THE CITY AND COUNTY OF SACRAMENTO:

18 You are hereby notified that POLK STREET PROPERTIES, LTD., a
19 California limited partnership, whose address is c/o McDonough,
20 Holland & Allen, 555 Capitol Mall, Suite 950, Sacramento,
21 California 95814, claims damages from the HOUSING AUTHORITY OF
22 THE CITY AND COUNTY OF SACRAMENTO. The amount of damages as of
23 the date of presentation of this claim is Three Hundred Fifty-Three
24 Thousand Two Hundred Fifty and 00/100 Dollars (\$353,250.00)

25 This claim is based on Section 11d of that certain Lease by
26 and between the HOUSING AUTHORITY OF THE CITY AND COUNTY OF
27 SACRAMENTO (hereinafter "the Authority") and OGO ASSOCIATES,
28 Claimant's predecessor in interest, which Lease was entered into

1 on December 16, 1970, and which expired on January 31, 1981
2 (hereinafter "the Lease"). The Lease related to certain property
3 known as the Polk Street Apartments, 4930 Polk Street,
4 Sacramento, California (hereinafter "the Property").

5 The Lease provided, in part, as follows:

6 Section 11d.

7 "Settlement Upon Termination -- Upon termination
8 The AUTHORITY will surrender the Premises in as good a
9 condition as existed when possession was given to The
10 AUTHORITY's tenants, reasonable wear and tear and
11 damage by the elements, third persons other than
12 invitees, fire, civil riot or commotion, and acts of
13 God, excepted. Upon termination the OWNER and The
14 AUTHORITY shall conduct a second survey of the Premises
15 (see subsection 2 d for initial survey provisions) and
16 The AUTHORITY will compensate OWNER for damages caused
17 by the negligent or willful acts or omissions of the
18 tenants which are not within one of the exceptions
19 stated above for which The AUTHORITY is not liable. If
20 for any reason the effective date of termination occurs
21 other than on the last day of the month, then OWNER
22 shall refund a proportionate amount of the rental paid
23 in advance by The AUTHORITY for that month."

16 The Lease having expired, a survey of the Property reveals
17 damages to the Property caused by the negligent or wilful acts or
18 omissions of the Authority's tenants or unknown agents or
19 employees of the Authority which damages are not within one or
20 more of the exceptions of the Lease. Said damages are in the
21 amount of \$353,250.00.


22 All notices or other communications with regard to this
23 claim should be sent to Claimant in care of McDonough, Holland &

24 / / /
25 / / /
26 / / /
27 / / /
28 / / /

1 Allen, Attention: David J. Spottiswood, 555 Capitol Mall,
2 Suite 950, Sacramento, CA 95814.

3 DATED: March 5, 1981.

4 MCDONOUGH, HOLLAND & ALLEN
5 A Professional Corporation

6 By: 
7 David J. Spottiswood

8 Attorneys for Claimant
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PROOF OF SERVICE BY MAIL

I am employed in the County of Sacramento; my business address is 555 Capitol Mall, Suite 950, Sacramento, California 95814; I am over the age of eighteen years and not a party to the foregoing action.

On March 5, 1981, I served the document named below on the parties in said action by placing a true copy thereof in a sealed envelope with postage thereon fully prepaid in the United States post office mail box at Sacramento, California, addressed as indicated below:

Document Served:

CLAIM FOR DAMAGES (original and one copy)

Parties Served:

Clerk, Board of Supervisors
County of Sacramento
700 H Street
Sacramento, CA 95814

City Clerk
City of Sacramento
915 I Street, Room 203
Sacramento, CA 95814

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 5, 1981, at Sacramento, California.

/s/ THERESE L. FLORIAN
Therese L. Florian

RESOLUTION NO. 81-192

Adopted by The Sacramento City Council on date of

March 17, 1981

MEMORIALIZING OTTO STEINBRENNER, SR.

It is hereby noted that the people of this City suffered a great loss in the passing of Otto Steinbrenner, Sr., on March 13, 1981, at the age of ~~75~~ ⁸⁹, in Sacramento, California.

WHEREAS, Otto Steinbrenner, Sr., a retired building contractor and a 70-year resident of Sacramento, was a life-long friend of this City; and

WHEREAS, Otto Steinbrenner was active in the community with a number of charitable and service organizations and was the superintendent on the construction of Hughes Stadium, one of Sacramento's most significant structures; and

WHEREAS, this Council is deeply saddened by the loss of such a dedicated, hard working member of its community;

WHEREAS, this Council believes it proper that its minutes and the official records of the City record the passing of Mr. Steinbrenner and has caused this Resolution to be prepared.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that this Resolution be entered with the minutes of this meeting, in addition to which this meeting shall be called adjourned in respect to the memory of Otto Steinbrenner, Sr;

AND BE IT FURTHER RESOLVED that a suitably engrossed copy of this Resolution be tendered to Marguerite Steinbrenner, bereaved wife, as an expression of this Council's deepest sympathy.

APPROVED

OFFICE OF THE CITY CLERK

ATTEST:

MAYOR
APPROVED
BY THE CITY COUNCIL

MAR 17 1981

OFFICE OF THE CITY CLERK

CITY CLERK

