



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



5

September 11, 1990

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

Honorable Members in Session:

SUBJECT: Resolution of Necessary and Just Compensation for the  
Shasta/Argus Hotels Project

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 resolution approving just compensation.

Respectfully submitted,

ROBERT E. SMITH  
Executive Director

TRANSMITTAL TO COMMITTEE:

  
\_\_\_\_\_  
SOLON WISHAM, JR.  
Assistant City Manager

Attachment



# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



September 18, 1990

Redevelopment Agency of the City of Sacramento  
Sacramento, California

Honorable Members in Session:

Subject: Resolution of necessity Authorizing Acquisition by  
Eminent Domain of the Shasta and Argus Hotels.

## SUMMARY

This report addresses the status of negotiation with the current property owner for the acquisition of two parcels (the Argus and the Shasta Hotels) located in the Downtown Redevelopment target area. Staff recommends adoption of a Resolution of Necessity authorizing acquisition of the subject properties by eminent domain.

## BACKGROUND

On August 14, 1990 the Redevelopment Agency Adopted Resolution No. 90-066 establishing just compensation for the Shasta and Argus Hotels, authorizing and directing the Executive Director to negotiate and take all actions necessary to consummate their purchase and authorizing use of Downtown Tax Increment Funds for the acquisition and related costs. The established just compensation was the amount specified in the appraisal report of David Lane, MAI, as of May 29, 1990. The final appraisal report is on file in the Agency's Legal Department.

The proposed property acquisitions promote the goals of The Redevelopment Plan for the Merged Downtown Sacramento Redevelopment Project, specifically:

- a) To improve the neighborhood environment and image;
- b) To eliminate blighted and blighting conditions; and
- c) To increase and develop affordable housing in the area.

The Agency has been unable to negotiate purchase of this property in good faith and we now recommend use of eminent domain to acquire it. The property owner has not responded to the Agency's offer of the appraised value, made on August 23, 1990.

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency  
of the City of Sacramento  
September 4, 1990  
Page 2

The Statutory provisions for public notices and formal notices to current property owners in accordance with Civil Procedure Code Section 1245.235, prior to action on a Resolution of Necessity, have been met. In addition, public notices were published in the local newspapers and informal notices were timely sent to the current owner regarding the September 10, 1990 Sacramento Housing and Redevelopment Commission and the September 18, 1990 Redevelopment Agency meeting and the potential action on the proposed acquisitions.

## FINANCIAL DATA

The just compensation values of the subject properties and related acquisition costs were previously established by the Agency on August 14, 1990 (Resolution No. 90-066). Funds currently exist in the Agency budget (cost center A01028).

## ENVIRONMENTAL REVIEW

CEQA           The proposed action to acquire and rehabilitate property is exempt from environmental review per Section 15301(d), Class 1. Class 1 exempts the restoration or rehabilitation of deteriorated or damaged structures to meet current standards of public health and safety. The proposed project would not expand the use beyond that previously existing. The acquisition will not result in a physical change in the environment.

NEPA           Not applicable; no federal funding involved.

## MBE/WBE

Minority and women contractors will be encouraged to bid on the rehabilitation of the property. All Agency MBE/WBE requirements will be adhered to in the advertising and acceptance of bids.

## POLICY IMPLICATION

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

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency  
of the City of Sacramento  
September 4, 1990  
Page 3

## VOTE AND RECOMMENDATION OF COMMISSION

At their regular meeting of September 10, 1990, the Sacramento Housing Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES:

NOES:

ABSENT:

## RECOMMENDATION

The staff recommends adoption of the attached Resolution of Necessity authorizing acquisitions by eminent domain of the subject properties.

Respectfully submitted,

ROBERT E. SMITH,



Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE  
City Manager

Contact Person: Thomas V. Lee, 440-1357  
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# RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

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

## SHASTA/ARGUS HOTELS PROJECT RESOLUTION OF NECESSITY

WHEREAS, the City Council of the City of Sacramento (the "Council") adopted Ordinance No. 3146, Fourth Series, on July 20, 1972, approving the Redevelopment Plan (the "Redevelopment Plan") for the Uptown Development Project, Project No. 8 (the "Project"), and the Council approved and adopted amendments to the Redevelopment Plan by Ordinance No. 4122, Fourth Series, on August 22, 1978; and Ordinance No. 440, Fourth Series, on August 5, 1980 (collectively hereinafter referred to as the "Prior Amending Ordinances"); and

WHEREAS, by City Ordinance No. 86-066, Fourth Series, adopted on June 17, 1986, the City Council of the City of Sacramento amended the Redevelopment Plan to consolidate, standardize and merge redevelopment plans for Project Areas 2-A, 3, 4, and 8 to be known as the Merged Downtown Sacramento Redevelopment Project; and

WHEREAS, the subject real properties are located within the Project Area designated by the Merged Downtown Sacramento Redevelopment Project; and

WHEREAS, several of the goals in said Redevelopment Plan for the Merged Downtown Sacramento Redevelopment Project are:

- (a) To improve the neighborhood environment and image;
- (b) To eliminate blighted and blighting conditions; and
- (c) To increase and develop affordable housing in the area;

WHEREAS, the Agency has engaged in serious negotiations with the owner of the subject real properties for the purpose of purchasing the properties for preservation of affordable housing; and

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

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

WHEREAS, such negotiations have proven futile and without effect; and

WHEREAS, the subject real properties are properly zoned and situated for housing development, and there are no other sites in the Project Area which would be as compatible with the greatest public good and the least private injury as the subject sites.

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

Section 1: That the above statements are true and correct.

Section 2: The Redevelopment Agency intends to acquire in fee simple, by eminent domain, the properties listed below and is empowered to acquire said properties by eminent domain pursuant to Health and Safety Code Section 33391:

(a) Real property located in the City of Sacramento owned by John P. Murphy, a single man, more particularly described as Assessor's Parcel Number 006-0103-013, and described more particularly in Exhibit "A" attached hereto and made a part hereof.

(b) Real property located in the City of Sacramento owned by John P. Murphy, a single man, more particularly described as Assessor's Parcel Number 006-0103-014, and described more particularly in Exhibit "B" attached hereto and made a part hereof.

Section 3: The public purpose for which the properties are to be acquired are the elimination of blight and to preserve affordable housing available within the Project Area.

Section 4: The Redevelopment Agency finds and determines that:

(a) The public interest and necessity requires preservation of affordable housing in the Project Area;

(b) Such housing is planned and located in the manner that will be most compatible with the greatest public good and the least private injury;

(c) The properties to be acquired are necessary for the proposed use; and

(d) The just compensation has been established and offers have been made to the owner of record of the real properties as required by Section 7267.2 of the Government Code.

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

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

Section 5: The Executive Director is authorized to institute and prosecute to conclusion actions in eminent domain to acquire said properties and to take any action necessary or desirable for such purpose in accordance with California Eminent Domain Law.

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CHAIR

ATTEST:

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

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

EXHIBIT "A"

THE SOUTH 36 FEET OF THE NORTH 60 FEET OF LOT EIGHT (8) IN THE BLOCK BOUNDED BY J AND K AND 10TH AND 11TH STREETS, IN THE CITY OF SACRAMENTO, ACCORDING TO THE OFFICIAL PLAT THEREOF.

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



EXHIBIT "B"

THE NORTH 24 FEET OF LOT EIGHT (8) IN THE BLOCK BOUNDED BY  
10TH AND 11TH AND J AND K STREETS, OF THE CITY OF SACRAMENTO,  
ACCORDING TO THE OFFICIAL PLAT THEREOF.

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