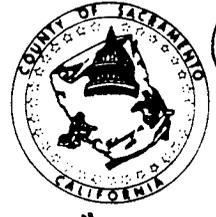




**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



5

January 20, 1987

Budget and Finance Committee
of the City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Purchase of Reno Club at 415 12th Street in Alkali
Flat and Execution of Agreement for Sale and Grant Deed

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 authorizing execution of the Agreement for Sale and Grant Deed.

Respectfully submitted,

WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COMMITTEE:

JACK R. CRIST
Deputy City Manager

Attachment

00960



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



January 12, 1987

Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Purchase of Reno Club at 415 12th Street in Alkali Flat
and Execution of Agreement for Sale and Grant Deed

SUMMARY

This report authorizes the Executive Director of the Redevelopment Agency to execute a Grant Deed and an Agreement for Sale of Real Property with Mr. Ramiero Martinez for the purchase of the Reno Club located at 415 12th Street. Should this sales agreement not be concluded, on February 13, 1987 this report requests authorization to reinstate eminent domain proceedings.

BACKGROUND

On March 25, 1986, by Resolution 86-013, the Redevelopment Agency established just compensation and authorized the purchase of the Reno Club located on 12th Street.

An initial purchase offer of \$205,000 (established as fair market value as of 02/19/86) was made on April 15, 1986. On April 29, 1986 the owner's attorney rejected the offer, in writing, as unacceptable and indicated that the owner did not wish to sell. Subsequently, on June 10, 1986 the Agency invoked its power of Eminent Domain and adopted the required Resolution No. 86-029. The owner's attorney then contacted the Agency regarding a voluntary purchase. Negotiations continued for several months with the result that both parties agreed to a sales price of \$288,000, less any funds previously paid by Regional Transit for its substation on the site. Regional Transit has agreed to participate in this purchase with us since they needed part of the property for a substation. See attached "Property Acquisition Agreement" between Agency and Regional Transit.

1-27-87

D-1

(1)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
January 12, 1987
Page 2

Their total share will be \$31,680 or 11%. This ratio is proportionate to each legal entity's portion of the total property taking. To date Regional Transit has paid Mr. Martinez \$15,500 towards the total purchase price.

The Agreement for Sale and Grant Deed have been attached for your reference. These documents are executed by the owner. However, in accordance with the State of California community property law, Mr. Martinez's wife, a resident of Mexico, must consent to the transfer of the property before escrow can close. Mr. Martinez's attorney has informed the Agency that Mrs. Martinez will be flown to Sacramento on the designated closing date. Should this action fail to take place on or before February 13, the staff requests that the Executive Director be authorized to return to court and reinstate eminent domain proceedings.

In summation this staff report requests that you accept proposed terms for the transfer of the property and authorize the Executive Director to execute all documents related to the purchase. Ultimately the Agency will clear this site for future commercial development in accordance with the adopted Alkali Flat Redevelopment Plan.

FINANCIAL DATA

The final purchase price of \$288,000 was arrived at as follows:

\$205,000	2/19/86 Fair Market Value
31,680	RT 11% Contribution for Substation
10,000	Estimated Relocation Costs for Business
41,320	Goodwill payment
<u>\$288,000</u>	

Subtracting RT's payment of \$31,680, the Agency will pay a total of \$256,320 to Mr. Martinez for all property and services.

The Reno Club will be purchased with funds set aside for 12th Street Commercial Revitalization (Cost Center 0621) in the approved 1987 Agency Budget Carryover Capital Improvement Program.

ENVIRONMENTAL REVIEW

The proposed acquisition is categorically exempt; however, at such time as construction plans for new development are ready for consideration a further environmental analysis may be performed.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
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POLICY IMPLICATIONS

The above recommended actions are consistent with adopted Agency policy and no new policies are being recommended.

VOTE AND RECOMMENDATION OF THE COMMISSION

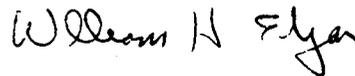
At its special meeting of January 12, 1986 the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolution. The votes were as follows:

AYES: Glud, Moose, Pettit, Sanchez, Simon, Simpson, Wiggish,
Wooley, Yew, Amundson
NOES: None
ABSENT: Sheldon

RECOMMENDATION

Staff recommends the adoption of the attached resolution which authorizes the Executive Director to execute an Agreement for Sale of Real Property and a Grant Deed for purchase of the Reno Club at 415 12th Street.

Respectfully submitted,



WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE
City Manager

Contact Person: Trish Davey, 440-1322

Attachments

2378K

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
ON DATE OF

January 27, 1987

AUTHORIZING THE EXECUTIVE DIRECTOR
TO EXECUTE A PURCHASE AGREEMENT
AND GRANT DEED FOR RENO CLUB

WHEREAS, the Executive Director was authorized by Resolution No. 86-013 to negotiate the purchase of certain property; and

WHEREAS, the owner of such property has agreed to convey his property on the terms of the purchase agreement and grant deed attached hereto as Exhibits A and B; now, therefore,

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

Section 1: The Executive Director is hereby authorized to execute the purchase agreement and grant deed attached hereto as Exhibits A and B.

Section 2: The Executive Director is authorized to reinstate eminent domain under Resolution 86-029, adopted June 10, 1986, if Mrs. Ramiero Martinez does not appear and execute a quitclaim deed to the Agency on or between February 13, 1987 as a part of escrow closing on the subject property.

CHAIR

ATTEST:

SECRETARY

0672L

PROPERTY ACQUISITION AGREEMENT

THIS AGREEMENT is entered into as of December 15, 1986, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO (hereinafter "Agency") and the SACRAMENTO REGIONAL TRANSIT DISTRICT (hereinafter "District").

Recitals

WHEREAS, the Agency proposes to acquire by eminent domain certain property referred to as the "Reno Club" and identified in Exhibit A attached hereto (the "Property"); and

WHEREAS, District desires to acquire a portion of the Property for use as part of District's Light Rail Transit System;

NOW, THEREFORE, the parties hereto agree and covenant as follows:

Agreement

1. That if the Agency, after a public hearing, adopts a Resolution of Necessity and thereafter acquires the Property, that portion of the Property identified in Exhibit B shall be conveyed to District by Grant Deed for use as part of the Light Rail Transit System upon payment of the amount specified below.

2. District shall pay to Agency eleven percent (11%) of the total amount Agency pays to the owner to acquire the Property, excluding court costs and attorneys fees associated with the acquisition. The Agency has notified District that the total agreed upon acquisition amount is TWO HUNDRED AND EIGHTY-EIGHT THOUSAND DOLLARS (\$288,000.00). Therefore, District will owe the Agency THIRTY-ONE THOUSAND SIX HUNDRED AND EIGHTY DOLLARS (\$31,680.00) for the cost of acquiring a portion of the Property as identified in Exhibit B. This amount shall be due and payable before Agency shall convey any interest to the area shown in Exhibit B.

3. Agency agrees to indemnify and hold harmless District from any liability incurred by District in the course of carrying out its obligation under this Agreement due to the acts or omissions of the Agency, its agents, or employees.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SACRAMENTO REGIONAL TRANSIT DISTRICT

By *Arthur Bauer*
ARTHUR BAUER, Chairman

ATTEST:

DAVID A. BOGGS, General Manager

APPROVED AS TO LEGAL FORM:

MARK W. GILBERT, Attorney

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

By _____
WILLIAM H. EDGAR
Executive Director

APPROVED AS TO LEGAL FORM:

DWIGHT MOORE, General Counsel

APPROVED:

FINANCE DEPARTMENT

Fund:
Object Code:
Organization:
Cost Center:

ORGANIZATION APPROVAL

EXHIBIT A

LEGAL DESCRIPTION OF THE PARCEL TO BE
ACQUIRED BY THE REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO THROUGH EMINENT DOMAIN

All that real property in the City of Sacramento, County of Sacramento, State of California, described as follows:

Lot 1, in the block bounded by 12th and 13th. "D" and "E" Streets, in the City of Sacramento, according to the Official Plat thereof.

EXHIBIT B

LEGAL DESCRIPTION OF THE PORTION OF
PROPERTY TO BE DEEDED TO THE
SACRAMENTO REGIONAL TRANSIT DISTRICT

All that real property in the City of Sacramento, County of Sacramento, State of California described as follows:

The Northerly 93.00 feet of the Westerly 20.00 feet of Lot 1 in the block bounded by 12th and 13th, "D" and "E" Streets, in the City of Sacramento, according to the Official Plat thereof.

PARCEL NO. 002-121-01

Ramiro Martinez
Seller(s)

AGREEMENT FOR SALE OF REAL PROPERTY

AGREEMENT between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, (hereinafter called "Buyer") and RAMIRO MARTINEZ (hereinafter called "Seller(s)") of the real property described in Paragraph 1 below.

IT IS AGREED AS FOLLOWS:

1. Seller(s) agrees to sell to Buyer and Buyer agrees to purchase from Seller(s) all that certain real property (hereinafter called "the real property") situated in the City of Sacramento, County of Sacramento, State of California, described in Exhibit "A" attached hereto upon the terms and for the considerations set forth in this Agreement.

2. (a) The total purchase price shall be the sum of \$288,000.00 (ONE HUNDRED EIGHTY-EIGHT THOUSAND AND NO/100 DOLLARS) and is full consideration and compensation for the real property, loss of goodwill and patronage associated with the Seller's business on the real property, personal property direct losses and all relocation payments, and all other claims of damage relating to this purchase.

(b) Seller agrees to provide Buyer with a \$15,500.00 credit against the purchase price in that the Sacramento Transit Development Agency has previously paid Seller \$15,500.00 as part of an eminent domain action relating to a partial taking of the real property. As a result of such credit, Buyer shall be required only to pay Seller the amount of \$272,500.00 for the real property.

3. Buyer shall take title in fee simple to the real property free and clear of all liens and encumbrances, except any public utility easements affecting a portion of the real property or any supplemental tax lien assessed pursuant to Chapter 3.5 of the Revenue and Taxation Code, Sections 75 et seq.

4. Seller shall within 5 days after the date of this Agreement provide Buyer with copies of any leases relating to such real property.

5. Security deposits and prepaid rent from Seller's tenants, if any, held by the Seller shall be refunded by Seller to such tenants before the close of escrow.

6. Taxes and assessments shall be paid in the following manner:

(a) Any taxes which are due but not paid at the closing of escrow shall be prorated in the customary manner as of the date of closing. If taxes have been paid by seller prior to the closing of escrow, there shall be no proration of such taxes and it shall be the responsibility of the Seller(s) to apply for a tax refund in the normal manner, through the office of the Tax Collector of the County of Sacramento.

(b) Any assessments, as well as notes and/or deeds of trust, shall be paid in full by the Seller(s) before the close of escrow.

7. Title insurance premium, recording fees and other escrow expenses shall be borne by Buyer, except for any expenses relating to any liens, encumbrances and assessments, which shall be borne by Seller(s).

8. An escrow will be established to carry out this Agreement with a title company. Seller(s) hereby authorizes Buyer to select the title company and prepare and file escrow instructions in accordance with this Agreement on behalf of both Buyer and Seller(s). Escrow shall close on or before February 9, 1987.

9. All tenants and the Seller shall remove any and all personal property and fixtures and equipment from the premises and totally vacate the premises of the real property prior to the close of escrow.

10. A Grant Deed conveying the real property to Buyer will be executed by the Seller and delivered to the escrow agent for the representative of Buyer who has signed this Agreement. Such Deed shall be a No Fee Document recorded for the benefit of the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, pursuant to Rev. and Tax Code Sec. 11922.

11. Buyer shall deposit the total amount of the purchase price in escrow before the close of escrow. Proceeds of the sale shall be mailed to Seller(s) by the title company at 1700 Alhambra Boulevard, Suite 200, Sacramento, CA 95816. Such proceeds shall be in the form of a check made payable to Roy E. Brewer and Ramiro Martinez.

12. Seller shall retain possession until the close of escrow.

13. If any real estate commissions are payable on this transaction, the commissions shall be fully-paid by Seller(s).

14. In the event of a default hereunder and the necessity of litigation to enforce any provision of this Agreement, the non-prevailing party in any litigation shall pay to the prevailing party therein, a reasonable sum as attorney fees and costs as shall be established by the Court.

15. This sale and purchase, at the sole discretion of Buyer, is subject to the results of a soil test showing no toxic substances are on the sites. Should toxic substances be identified on the sites, at the sole discretion of Buyer, this Agreement may be cancelled.

16. Agency warrants that the Executive Director has been duly authorized to execute this Agreement.

17. Seller warrants that he owns the real property as separate property from his spouse.

Dated: _____

APPROVAL RECOMMENDED:

APPROVED AS TO FORM:

BY: _____
General Counsel

FINANCE DEPARTMENT APPROVAL:

BY: _____

Fund Code: 246
Object Code: 4840
Organization: 6380
Cost Code: 0621 MPT

ORGANIZATIONAL APPROVAL:

BY: _____

Ramiro Martinez
Seller(s)

I.D. (or Social Security No.

Spousal Consent

REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO

BY: _____
WILLIAM H. EDGAR
Executive Director

0518L

Exhibit "A"

The real property is situated in the State of California, County of Sacramento, City of Sacramento and is described as follows:

Lot 1, in the Block bounded by "D" and "E", 12th and 13th Streets of the City of Sacramento, according to the map or plan thereof.

RECORDING REQUESTED BY
Redevelopment Agency of the City of Sacramento

WHEN RECORDED MAIL TO:

TECHNICAL SERVICES DIVISION (17-TS)
Sacramento Housing & Redevelopment Agency
462 "I" Street, Sacramento, CA 95814

ESCROW NO. G-323403-KAB Western Title

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Parcel No. 002-0121-001

GRANT DEED

RAMIRO MARTINEZ, a married man

grant(s) to REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body corporate and politic, the real property in the City of Sacramento, County of Sacramento, State of California, described as follows:

Lot 1, in the Block bounded by "D" and "E", 12th and 13th Streets of the City of Sacramento, according to the map or plan thereof.

Executed on _____

RAMIRO MARTINEZ

Signed in the presence of:

NO FEE DOCUMENT. Recorded for the benefit of the Redevelopment Agency of the City of Sacramento