

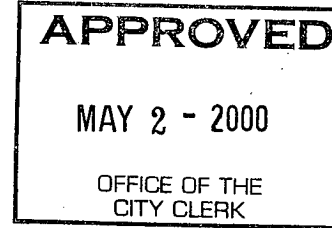


**Sacramento
Housing &
Redevelopment
Agency**

April 19, 2000

1.2

Redevelopment Agency of the
City of Sacramento
Sacramento, California



Honorable Members in Session:

SUBJECT: ACQUISITION OF 3713 AND 3717 MARYSVILLE BOULEVARD

LOCATION & COUNCIL DISTRICT - 3713 and 3717 Marysville Boulevard; Council District 2.

RECOMMENDATION

Staff recommends adoption of the attached resolution which authorizes) the Executive Director or designee to:

1. establish just compensation for two irregularly shaped parcels totaling 9,060 square feet located at 3713 and 3717 Marysville Boulevard (APN 251 0122 005 and 251 0122 006);
2. execute an Agreement for Purchase and sale of Real Property with the property owner for not substantially more than just compensation, and to take all other actions necessary to acquire the subject property; and
3. amend the Agency budget to transfer \$171,000 from the 1999 Del Paso Heights Capital Improvement Revenue Bond (CIRB) issue (Development Assistance project) to the 3713 and 3717 Marysville Boulevard Acquisition project.

CONTACT PERSONS

John Dangberg, Director - Community Development, 440-1357
Greg Rowe - Redevelopment Manager, 440-1399, ext. 1232

FOR COUNCIL MEETING OF May 2, 2000

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SUMMARY

This report recommends the establishment of just compensation and authorization to purchase a parcel located on the west side of Marysville Blvd. in the Del Paso Heights Redevelopment Project Area (Parcel Map, Attachment 1). The Agency and the Seller are negotiating an Agreement for Purchase and Sale of Real Property. An appraisal as of January 14, 2000 established an estimated market value of \$110,000. Acquisition of the parcel will contribute toward eliminating blight in the Marysville Boulevard commercial corridor and achieving other Agency revitalization goals, plans and policies. The proposed action will also enable the Agency to acquire a strategically located site that can subsequently be developed in conjunction with several contiguous sites and the nearby Greater Sacramento Urban League (GSUL) Workforce Development Center.

REDEVELOPMENT ADVISORY COMMITTEE ACTION

At its regularly scheduled meeting of April 13, 2000 the Del Paso Heights Redevelopment Advisory Committee adopted a motion recommending the actions described in this staff report. The vote was as follows:

AYES: Block, Langston, Lee, Loree, Mack, Velez-Balay, Wells
NOES: Covington
ABSENT: Ahkiong, Barnes, Blue, Kinsey, Scoggins, Vue, Whittaker

COMMISSION ACTION

At its meeting April 19, 2000, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes was as follows:

AYES: Castello, Cespedes, Dobbins, Harland, Holloway, Newsome
NOES: None
ABSTAIN: Rotz
ABSENT: Amundson, Burns, Simon

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BACKGROUND

In recent years the Agency has been engaged in numerous comprehensive efforts to revitalize properties near the intersection of Marysville Boulevard and Grand Avenue, traditionally the nucleus of commercial and social life in Del Paso Heights. These actions include:

- Adoption in 1998 of the comprehensive *Marysville Boulevard Urban Design Plan*, which establishes a master plan and design guidelines for all of Marysville Blvd.
- Funding and development assistance in 1999 for the GSUL "Workforce Development Center" at 3725-37 Marysville Blvd.
- Donation in 1999 of Agency owned land at 3707 Balsam Street to GSUL for parking.
- Purchase in late 1999 of a vacant parcel on Balsam Street, directly opposite from the GSUL site.
- Approval and funding in late 1999 and early 2000 of Phases I and II of the Marysville Blvd. "Urban Design Plan" implementation, at a combined cost of almost \$411,000.

"TOWN CENTER" CONCEPT

The *Marysville Boulevard Urban Design Plan* established the concept of a "Town Center" at the intersection of Marysville and Grand, which will provide a catalyst for future development near this key intersection. More recently, on February 29, 2000 the Agency adopted the *2000 - 2004 Redevelopment Implementation Plan*, which further articulates the "Town Center" concept.

One of the primary constraints to redevelopment identified in the *Del Paso Heights Redevelopment Plan* and the above plans is the predominance of small fragmented parcels that do not lend themselves to reuse or redevelopment. Thus, parcel assembly and consolidation is a critical element for redevelopment of this area. In addition, obsolete, deteriorated and blighting buildings that have little inherent architectural or market value characterize the area. These buildings are a hindrance to your redevelopment goals for the area. Approval of the actions recommended in this report would be in furtherance of your land consolidation and blight elimination policies.

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The subject property is zoned C2, General Commercial Zone. It has been occupied by various automobile repair garages since the late 1950s, and is improved with a 2,100 square foot auto repair garage built over 35 years ago at the 3717 Marysville Boulevard address. The property was originally acquired by the owner in early 1994, and was sold to a tenant in early 1997. Title reverted to the owner in late 1999 as a result of foreclosure proceedings. The owner subsequently indicated a desire to sell the property to the Agency. The property is currently vacant.

In April 1999 an environmental assessment was completed on properties in the Marysville Boulevard Urban Design corridor. The *Modified Phase I Environmental Site Assessment* identified this site as having potential subsurface (soil and groundwater) impacts. The current owners are unaware of any toxics on the site, however barrels of fluids had previously been observed. Therefore, a scope of work was prepared in early March 2000 for a "Limited Phase II Investigation," including soil boring and structural material testing, at an estimated cost of \$16,000. The environmental assessment will be commenced upon your approval of the attached resolution and during the due diligence phase of the purchase and sales contract. Should significant and costly subsurface impacts be discovered, staff would not proceed with site acquisition until further consultation and approval by your Council. Because the Agency's goal is to prepare the site for future neighborhood-serving commercial development, demolition costs of approximately \$10,000 are also included.

FINANCIAL CONSIDERATIONS

Funds for implementing various "Town Center" strategies were identified in the *2000 - 2004 Redevelopment Implementation Plan*. In addition, last October the Del Paso Heights Redevelopment Advisory Committee endorsed an allocation of \$1,160,000 toward "Town Center" from the December 1999 Del Paso Heights tax-exempt Capital Improvement Revenue bond issue. Specific expenditures for these purposes have not yet been incorporated into the Agency budget, however. This report therefore proposes the following allocation of bond proceeds to the "3713 and 3717 Marysville Blvd. Acquisition Project."

1. Site purchase	\$110,000
2. Closing, demolition, appraisal and contingency	45,000
3. Phase II Environmental Assessment	<u>16,000</u>
Total:	\$171,000

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POLICY CONSIDERATIONS

The recommended actions are consistent with policies for redevelopment site assembly, as described in the *Fifth Amendment to the Del Paso Heights Redevelopment Plan*, adopted by the Sacramento City Council in July 1998. These actions are also consistent with the *Marysville Boulevard Urban Design Plan* adopted by the Sacramento City Council in June 1998, the Agency's *2000-20004 Implementation Plan*, and with the California Redevelopment Law.

ENVIRONMENTAL REVIEW

The proposed action to acquire property is in furtherance of the *Del Paso Heights Redevelopment Plan*, as amended. Per California Environmental Quality Act (CEQA) Guidelines Sections 15180, 15162, and 15163, acquisition of parcels for consolidation and development, and actions to encourage redevelopment in a redevelopment area were deemed approved at the time of adoption of the redevelopment plan. The proposed actions do not commit the Agency to a definite course of development action on the properties because they are expressly made contingent upon CEQA compliance prior to approval of a DDA or City entitlement per Agency and City environmental procedures. No further environmental documentation is required at this time. NEPA does not apply.

M/WBE CONSIDERATIONS

There are no M/WBE considerations associated with this action.

Respectfully submitted,


for ANNE M. MOORE
Executive Director

Transmittal approved,



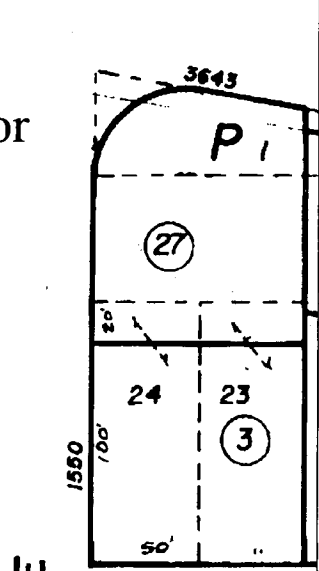
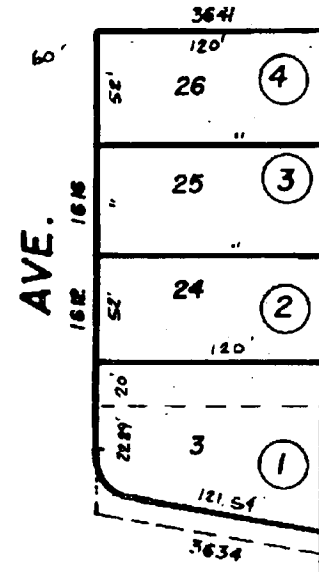
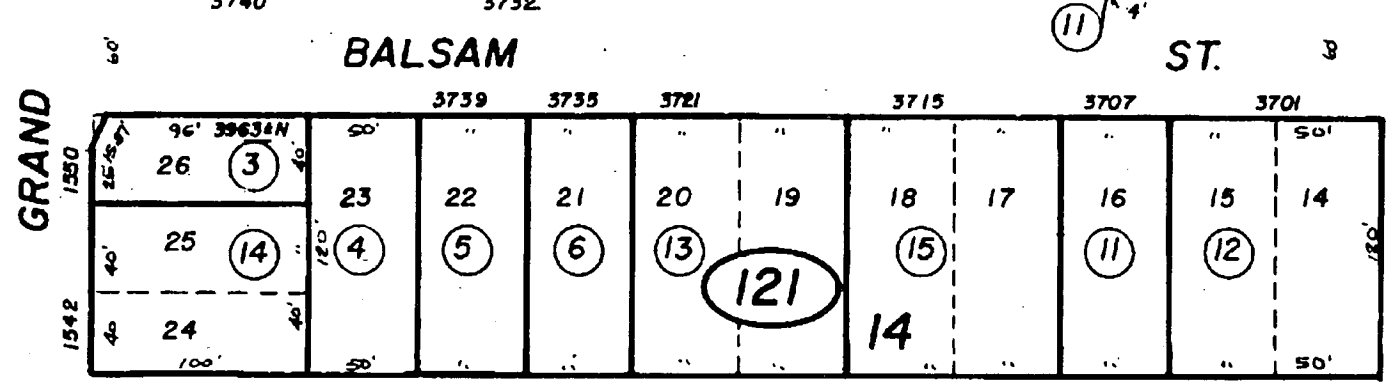
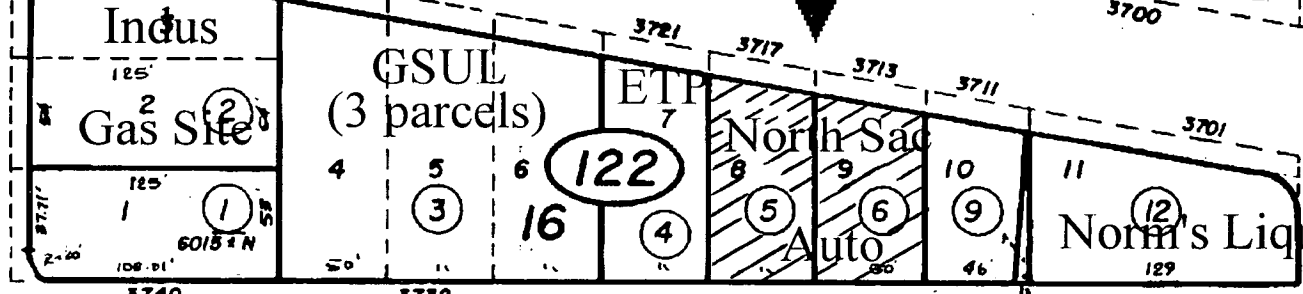
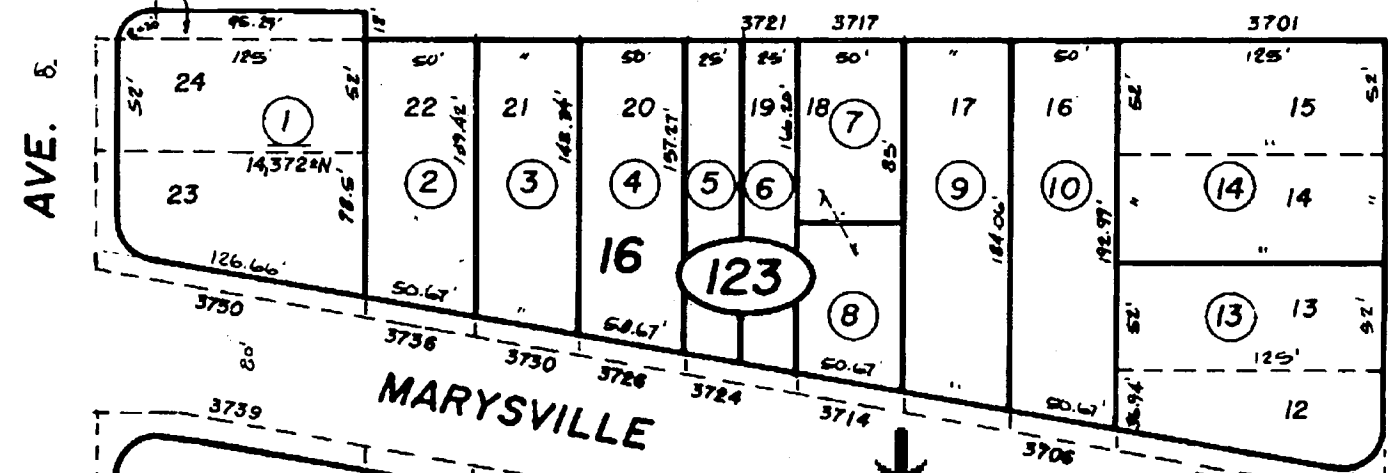
ROBERT P. THOMAS
City Manager

Attachment 1
 Proposed Acquisition
 3713 & 3717 Marysville Blvd.

Bk.
 252

ATTACHMENT I

ABND. PER. 831108/1111
 RES. 83-838 **WILLOW**
 R.M. 13-32



08

ANOKE

CLAR

RESOLUTION NO. _____

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

**ESTABLISHING JUST COMPENSATION FOR A PARCEL LOCATED
AT 3713 AND 3717 MARYSVILLE BOULEVARD (APN 251-0122-005 AND
251-0122-006) AND AUTHORIZING THE EXECUTIVE DIRECTOR TO
CARRY OUT ALL NECESSARY ACTIONS RELATED
TO ACQUISITION**

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

Section 1. Just compensation for the parcel to be acquired, APN 251-0122-005 and 251-0122-006, is the fair market value determined by independent appraisal.

Section 2. The Executive Director is authorized to take all actions necessary to purchase the property identified in Section 1 of this resolution for not substantially more than just compensation.

Section 3. The Executive Director is authorized to amend the Agency budget by transferring \$171,000 from the 1999 Del Paso Heights Capital Improvement Revenue (CIR) bond issue (Developers Assistance project) to the 3713 and 3717 Marysville Blvd. Acquisition Project to acquire the property and carry out related actions.

CHAIR

ATTEST:

SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____