

**DEPARTMENT OF
PUBLIC WORKS**

TECHNICAL SERVICES
REAL ESTATE SERVICES

CITY OF SACRAMENTO
CALIFORNIA

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SACRAMENTO, CA
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APPROVED
BY THE CITY COUNCIL

DEC 8 1998

OFFICE OF THE
CITY CLERK

AG 98-225

November 20, 1998

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR PURCHASE OF REAL PROPERTY LOCATED AT 2700 MEADOWVIEW ROAD AND DESCRIBED AS APN: 053-0010-027; AMEND CIP BUDGET \$2,500,000 FOR THE MEADOWVIEW CITY SERVICE COMPELX (PN:BB41)

LOCATION/COUNCIL DISTRICT:

Located at 2700 Meadowview Road between the Samuel C. Pannell Community Center and the former California Highway Patrol Academy (CHP) in Council District 8, Neighborhood Service Area 2.

RECOMMENDATION:

This report recommends that Council:

- Authorize the City Manager to execute an Agreement for Purchase of Real Property described as APN: 053-0010-027 and to execute such additional documents as necessary to implement the Agreement; and
- Amend the CIP budget for the Meadowview City Service Complex (PN:BB41) by appropriating \$2,500,000 from the Solid Waste Fund Contingency.

CONTACT PERSON:

Duane Wray, Technical Services Manager, 264-8279
Rhonda R. Lake, Real Property Agent, 264-7902

COUNCIL MEETING DATE:

December 8, 1998

City Council
Authorization for City Manager to Execute a Purchase Agreement for 2700
Meadowview Road
November 20, 1998

SUMMARY:

An agreement to purchase a 3.94± acre site at 2700 Meadowview Road has been negotiated with the property owner, Joseph Mohamed, Sr. The site, shown on the attached map marked Exhibit "A", is located between the Samuel C. Pannell Community Center and the former California Highway Patrol Academy (CHP). The property is improved with an office building structure of approximately 60,000 square feet and adjacent surface parking. The purchase price for fee simple interest of the property is Two Million Five Hundred Thousand Dollars (\$2,500,000) based on an estimate of value prepared by staff.

BACKGROUND INFORMATION:

In February 1996, City Council authorized staff to plan for relocation of Solid Waste Division operations from the closed 28th Street landfill, update the City's corporation yard master plan, and select a potential site for new corporation yard facilities. As a result, a Corporation Yard Master Plan was selected which includes development of a new 25-30 acre corporation yard in the south area of the City for Solid Waste operations, administration and related fleet maintenance activities.

In October 1998, City Council authorized a Purchase Agreement for the former CHP Academy, a 27-acre site on Meadowview Road adjacent to the subject parcel. In addition, an Option Agreement was approved for purchase of the 5-acre Office of Emergency Services (OES) property adjacent to the CHP Academy property. The assemblage of these properties with the subject parcel will provide the acreage needed to meet future corporation yard requirements through the year 2035.

The subject parcel is located between the former CHP Academy property and the Samuel C. Pannell Community Center. It is 3.94± acres improved with an office building structure of approximately 60,000 square feet and adjacent surface parking. Currently, the property is vacant.

The purchase price negotiated for the fee simple interest of the property is Two Million Five Hundred Thousand Dollars (\$2,500,000) which amount represents approximately Fourteen Dollars and fifty-six Cents (\$14.56) per square foot. The parties will mutually develop a list of items to be removed from the premises at Seller's sole cost and expense. Escrow fees and costs will be split equally between the parties.

City Council
Authorization for City Manager to Execute a Purchase Agreement for 2700
Meadowview Road
November 20, 1998

FINANCIAL CONSIDERATIONS:

This report recommends that funds to purchase the property come from the Solid Waste Fund Contingency as a loan. The loan would be repaid when bonds are issued for construction of the new Meadowview City Service Complex and purchase of the subject property. The Solid Waste Fund currently has a healthy balance so that neither the initial loan for purchase nor the debt service payments are anticipated to create an impact on Solid Waste rates during the time the fund will make payments, that is, until a project and associated funding for the site are established.

In order to assure that debt service payments for the loan will not impact Solid Waste rates over time, the terms and conditions of the loan will include language such that the Solid Waste Fund can 'call' the loan due and payable in whole or in part. In such case, the City's general fund or other City fund(s) would be required to repay the Solid Waste Fund.

ENVIRONMENTAL CONSIDERATIONS:

The Planning Division has determined that this project is exempt from the provisions of the California Environmental Quality Act (CEQA) under sections 15301 and 15303. The project involves the purchase of an existing facility, with no physical modifications planned at this time. No project funding for changes to the site have been established. Any future plans for modification to the site and building would be subject to additional environmental review at such time as a project is identified for the property.

The purchase of this property by the City will not result in physical impacts to the environment.

POLICY CONSIDERATIONS:

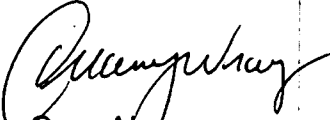
In accordance with Section 56.04.405 of Title 56 of the Sacramento City Code, the Planning Director has determined that the proposed acquisition of real property is consistent with the General Plan.

The actions being requested by staff are consistent with Council policy to develop the Meadowview City Service Complex that will allow for the collocation of Solid Waste administration, operations, and related fleet maintenance activities.

City Council
Authorization for City Manager to Execute a Purchase Agreement for 2700
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November 20, 1998

MBE/WBE: None. No goods or services are being purchased.


Respectfully Submitted,



for Gary Alm
Development Services Manager

Approve:


DUANE WRAY
Technical Services Manager

RECOMMENDATION APPROVED: APPROVED:


WILLIAM H. EDGAR
City Manager


Michael Kashiwagi
Director of Public Works

Attachments: Exhibit A

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Exhibit "A"

All that portion of the Northwest one-quarter of Section 7, Township 7 North, Range 5 East, M.D.B. & M., described as follows:

Beginning at a point on the North line of said Section 7 and the center line of Meadowview Road from which point the Northeast corner of Meadowview Village Unit No. 1, according to the official plat thereof, filed in the office of the Recorder of Sacramento County, California, on May 16, 1958, in Book 49 of Maps, Map No. 4, bears South 89° 41' 25" West 763.36 feet; thence from said point of beginning North 89° 41' 25" East 449.24 feet along the North line of said Section 7 and the center line of said Meadowview Road to the East line of the West three-quarters of the West one-half of said Section 7; thence South 00° 02' 30" West 593.79 feet along said East line of the West three-quarters of the West one-half of said Section 7 and being a line of fence marking the West boundary of the lands of the State of California to the Northeast corner of Meadowview Village Unit No. 4, according to the official plat thereof, filed in the office of the Recorder of Sacramento County, California, on July 31, 1959, in Book 56 of Maps, Map No. 7; thence South 89° 59' 10" West 448.66 feet along the North boundary of said Meadowview Village Unit No. 4; thence North 00° 00' 50" West 591.46 feet to the point of beginning.

EXCEPTING THEREFROM all the portion lying West of a line described as follows:

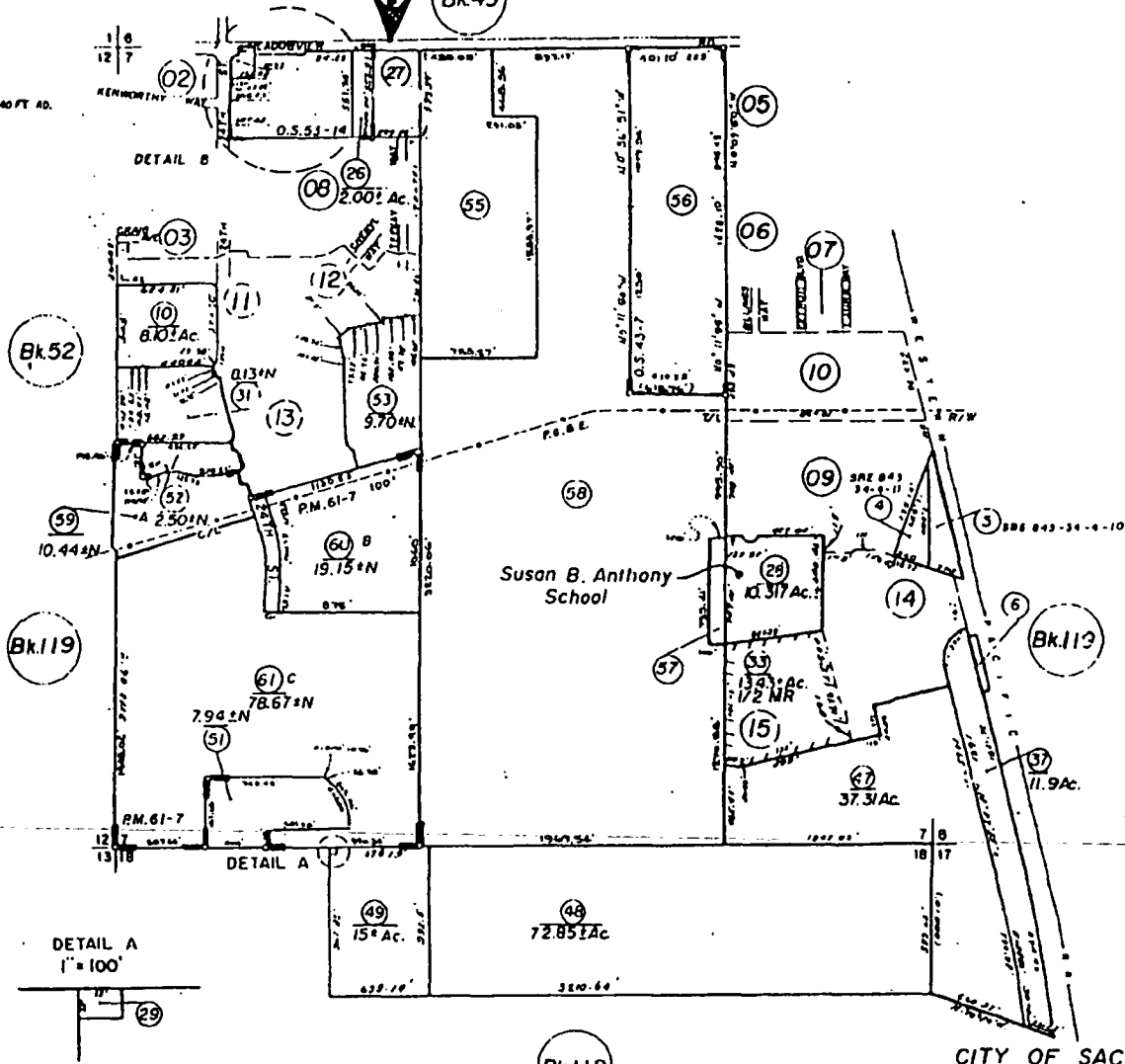
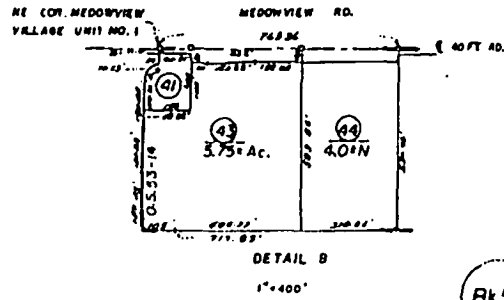
Beginning at a point located South 89° 59' 10" West 299.99 feet from the Northeast corner of Lot 314 of said Meadowview Village Unit No. 4; thence from said point of beginning North 00° 02' 30" East 592.24 feet to a point on the North line of said Section 7 and the center line of said Meadowview Road.

Assessor's Parcel No: 053-0010-027

POR. SEC. 7, 8, 17 & 18 T. 7N., R. 5E., M.D.B. & M.

Tax Area Code

53 - 01



Record of Survey, O. S. Bk. 43, Pg. 7 (1-12-88)
Record of Survey, O. S. Bk. 53, Pg. 14 (6-11-94)

NOTE—Assessor's Block Numbers Shown in Ellipses.
Assessor's Parcel Numbers Shown in Circles.

CITY OF SACRAMENTO
Assessor's Map Bk. 53-01
County of Sacramento, Calif.

EXHIBIT "A-1"

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APPROVED
BY THE CITY COUNCIL

RESOLUTION NO. 98-613

DEC 8 1998

ADOPTED BY THE SACRAMENTO CITY COUNCIL

OFFICE OF THE
CITY CLERK

ON DATE OF _____
RESOLUTION AUTHORIZING A LOAN FROM THE SOLID WASTE FUND FOR THE
PURPOSE OF FUNDING THE PURCHASE OF REAL PROPERTY LOCATED AT 2700
MEADOWVIEW ROAD DESCRIBED AS APN: 053-0010-027

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

A. That the City Manager is hereby authorized and directed to execute an Agreement for Purchase of Real Property with Joseph Mohamed, Sr., Trustee of the Joseph Mohamed, Sr. and Shirley M. Mohamed Charitable Remainder Unitrust, for the amount of Two Million Five Hundred Thousand Dollars (\$2,500,000) for the fee simple interest of APN: 053-0010-027, more specifically described in Exhibit "A" attached, which Agreement is on file with the City Clerk, and to fund the purchase of the property with from the City's Solid Waste Fund, as a loan.

B. That the terms and conditions of the loan shall be as follows:

1. Subject to a potentially earlier repayment requirement as set forth in item 2 below, the loan shall be repaid from the proceeds of the financing secured for the City's Meadowview City Services Complex.

2. In order to assure that there is not a negative impact on the Solid Waste Fund, and to prevent the need for a rate increase which would not be required but for the loan, Solid Waste Fund may call the loan due and payable, in whole or in part at any time. In such case, the City's general fund or other City fund(s) as specified by the City Council, would be required to repay the loan to the Solid Waste Fund.

3. The principal amount of the loan shall bear interest at a rate determined by the City Treasurer, based upon lost investment earnings.

C. That the City Manager and City Treasurer are authorized to execute all documents required to implement the loan and close the transaction for the purchase of the of the property, and to take such additional actions as necessary to implement the terms contained in this Resolution.

ATTEST:

CITY CLERK

MAYOR

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____ 7

APPROVED
BY THE CITY COUNCIL

DEC 8 1998

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 98-614

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION AMENDING
THE 1998/99 CAPITAL IMPROVEMENT BUDGET FOR
THE MEADOWVIEW CITY SERVICE COMPLEX CIP (PN:BB41)

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

That the 1998/99 Solid Waste Fund Contingency is hereby amended to appropriate \$2,500,000 to the Meadowview City Service Complex CIP (PN:BB41).

From: 415-710-7012-4999
To: 415-500-BB41-4813

MAYOR

ATTEST:

CITY CLERK

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____