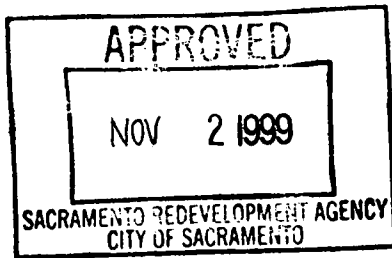
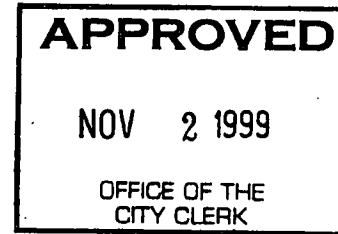


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October 20, 1999



Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: ACQUISITION OF VACANT PROPERTY IN THE DEL PASO HEIGHTS
REDEVELOPMENT PROJECT AREA

LOCATION & COUNCIL DISTRICT

Intersection of Marysville Boulevard and Grand Avenue; Council District 2.

RECOMMENDATION

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

1. establish just compensation for a vacant multi-residentially zoned parcel located in the 3700 block of Balsam Street (APN 251-0121-004);
2. execute an Agreement for Purchase and Sale of Real Property with the property owner, and to take all other actions necessary to acquire the subject property; and
3. amend the Agency budget to transfer the \$12,929 remaining balance in the Grand Avenue/Marysville Boulevard Acquisition project to the Balsam Street Acquisition project.

CONTACT PERSONS

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

FOR COUNCIL MEETING OF November 2, 1999

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
October 20, 1999
Page 2

SUMMARY

This report recommends the establishment of just compensation and authorization to purchase a vacant parcel located on Balsam Street in the Del Paso Heights Redevelopment Project Area (Parcel Map, Attachment 1). The Agency and the Seller entered into an Agreement for Purchase and Sale of Real Property on August 1, 1999, contingent upon the property appraising at a fair market value between \$9,000 and \$12,500. Acquisition of the parcel will contribute toward the elimination of blighting influences in the Marysville Boulevard commercial corridor and achievement of other Agency policies. The proposed action will also enable the Agency to acquire a strategically located site that could be subsequently developed in conjunction with the nearby Greater Sacramento Urban League (GSUL) Workforce Development Center project, and the "Neighborhood Central" project proposed by the Mutual Assistance Network (MAN) on the Agency-owned parcel located at the northwest corner of Grand Avenue and Marysville Blvd.

REDEVELOPMENT AREA COMMITTEE ACTION

At its regularly scheduled meeting of September 9, 1999, the Del Paso Heights Redevelopment Advisory Committee (RAC) adopted a motion recommending the actions described in this staff report. The vote was as follows:

AYES: Ahkiong, Blue, Langston, Mack, Scoggins, Velez-Balay, Vue, Wells.

NOES: None

ABSENT: Barnes, Lee, Loree, Olivares, Perlberger, Whittaker.

COMMISSION ACTION

At its meeting on October 20, 1999 the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Burns, Castello, Cespedes, Dobbins, Harland, Hoag,
Holloway, Newsome, Rotz, Simon

NOES: None

ABSENT: Amundson

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
October 20, 1999
Page 3

BACKGROUND

On June 1, 1999 the City Council approved a Disposition and Development Agreement (DDA) between the Agency and the Greater Sacramento Urban League (GSUL) for development of a Workforce Development Center at 3725-37 Marysville Boulevard, and the donation of Agency owned land at 3707 Balsam Street to the GSUL for use as parking. Balsam Street parallels Marysville Boulevard, and defines the western boundary of the GSUL Workforce Center property. A vacant lot owned by a trust is directly opposite Balsam Street from the Urban League site (APN 251-0121-004), and is bordered on the south by an apartment building at 3729 Balsam, and on the north by a church and a triplex residential building. The Grant High School athletic field is located directly behind the parcel to the west. The 50 x 120-foot lot is zoned for multi-unit residential use, but public records do not indicate any past development.

In July 1999 the trustee approached the Agency regarding potential acquisition of the parcel. Staff determined that the parcel holds potential for development as a parking lot or other uses complementary to both the proposed Urban League project, the "Neighborhood Central" development proposed by the Mutual Assistance Network, and other beneficial community uses. In addition, the *Marysville Boulevard Urban Design Plan* adopted by the Sacramento City Council in June 1998 includes strategies for increasing vehicle parking and consolidating parcels near the intersection of Grand Avenue and Marysville Boulevard, in addition to ultimately abandoning Balsam Street between Grand and Roanoke.

On August 1, 1999 the Agency and the Trust entered into an Agreement for Purchase and Sale of Real Property. The contract is contingent on governing board approval, a property appraisal between \$9,000 and \$12,500, and completion of other due diligence. An August 27, 1999 independent appraisal established a fair market value of \$9,000. It is not the Agency's intent to immediately develop the site, but rather to take advantage of this opportunity for site control and continue with development plans that integrate this site into development plans and projects for the area.

In 1998 the Agency authorized Harding Lawson Associates (HLA) to conduct a Modified Phase I Environmental Site Assessment (ESA) on properties that constitute an area known as the Marysville Urban Design Corridor. The boundaries of the Corridor encompass the subject site. The ESA, entitled *Modified Phase I Environmental Site Assessment, Marysville Urban Design Corridor*, was published April 29, 1999. The ESA did not include any onsite property inspections.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
October 20, 1999
Page 4

HLA's report indicates that subsurface releases of gasoline and solvents have occurred in the vicinity of Marysville and Grand. Regional groundwater flows are to the west and southwest, although depth to groundwater is between 80 and 90 feet below ground surface in this area. In early September HLA conducted a visual inspection of the site at the Agency's request. No evidence of hazardous waste/materials dumping was observed on the subject parcel, and HLA does not believe the site to be a source of hazardous material contamination.

FINANCIAL CONSIDERATIONS

The Agency previously designated funds for purchasing the former Shell site bounded by Marysville Boulevard on the east, Grand Avenue on the south, and Balsam Street on the west. This property acquisition has been completed; it is contemplated that the MAN "Neighborhood Central" development will occur here when project financing is finalized. The Grand Avenue/Marysville Blvd. Acquisition Project currently has a balance of \$12,929. Staff proposes that this balance be transferred to the Balsam Street Acquisition Project, and used as follows:

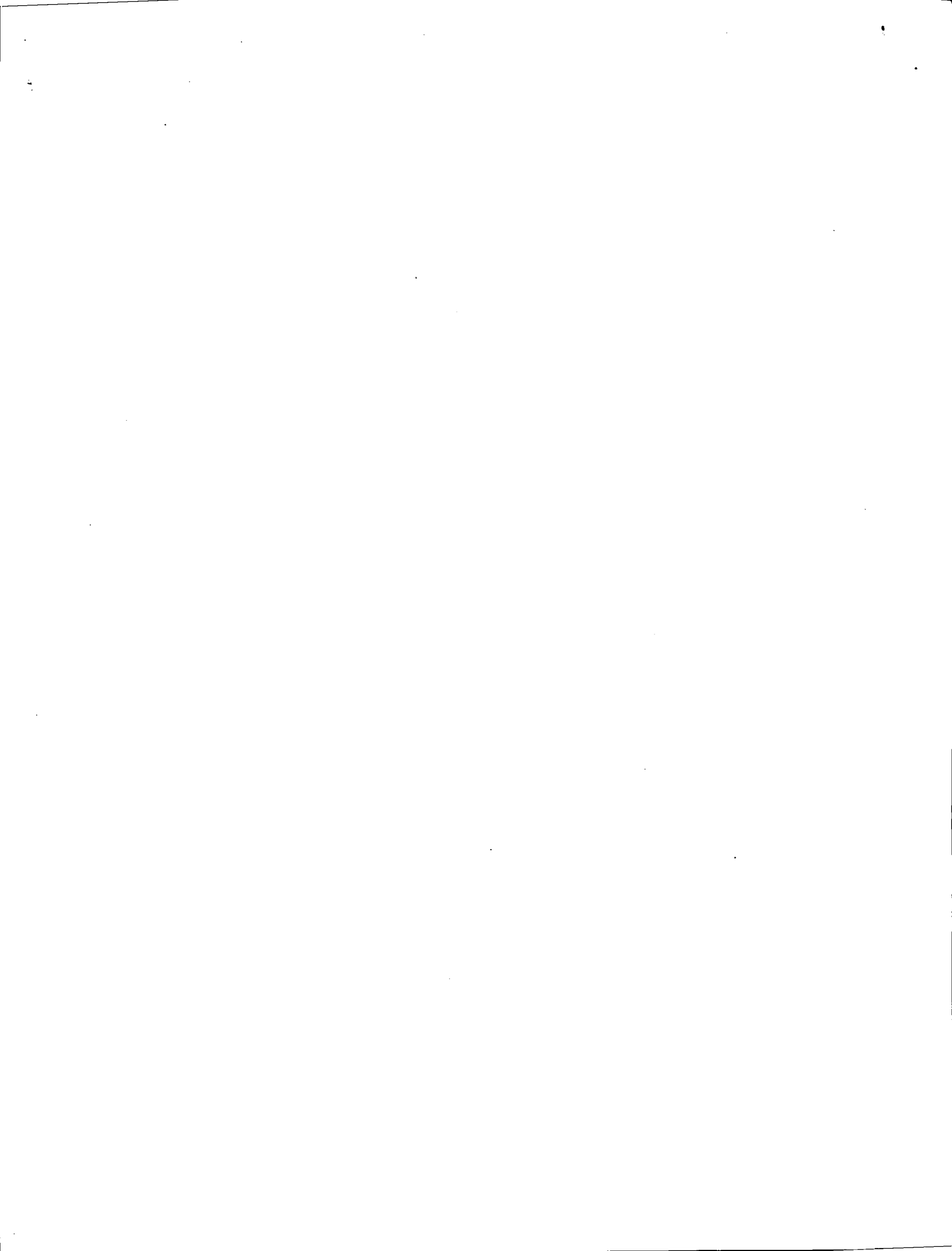
1. Site purchase	\$ 9,000
2. Additional environmental site assessment	1,000
3. Appraisal	300
4. Contingency for escrow fees and related actions	<u>2,629</u>
Total:	\$12,929

POLICY CONSIDERATIONS

The recommended actions are consistent with policies associated with site assembly and the provision of vehicle parking, 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 Urban Design Plan* adopted by the Sacramento City Council in June 1998, and with California Redevelopment Law.

ENVIRONMENTAL REVIEW

The proposed action to acquire property is in furtherance of the *Del Paso Heights Redevelopment Plan*, as amended. Per 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.



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
October 20, 1999
Page 5

The proposed actions do not commit the Agency to a definite course of action because they are expressly made contingent on CEQA compliance prior to approval of a DDA or City entitlement per Agency and City environmental procedures (*Stand Tall on Principles v. Shasta Union High School District* (3d Dist. 1991) 235 Cal.App.3d 772 [1 Cal.Rptr.2d 107]). 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,


ANNE M. MOORE
Executive Director

Transmittal approved,



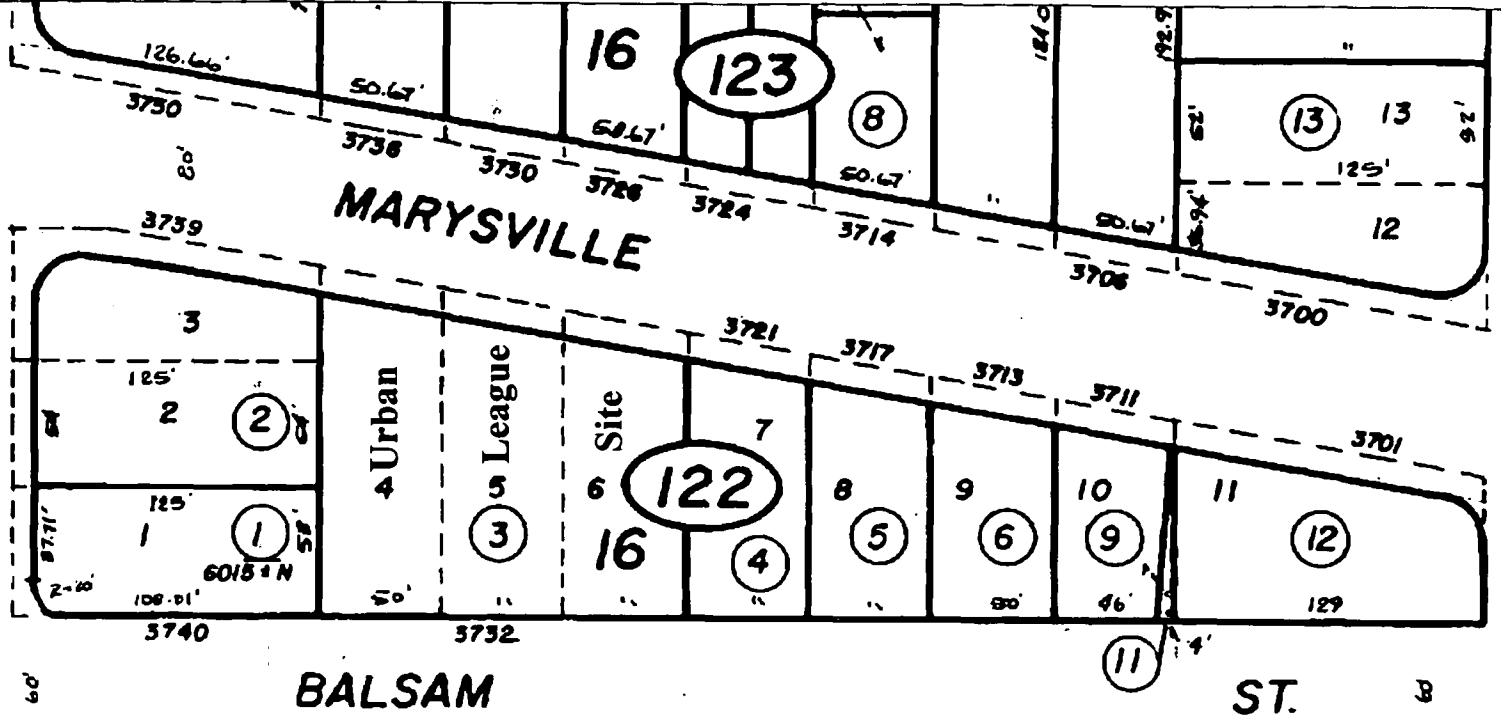
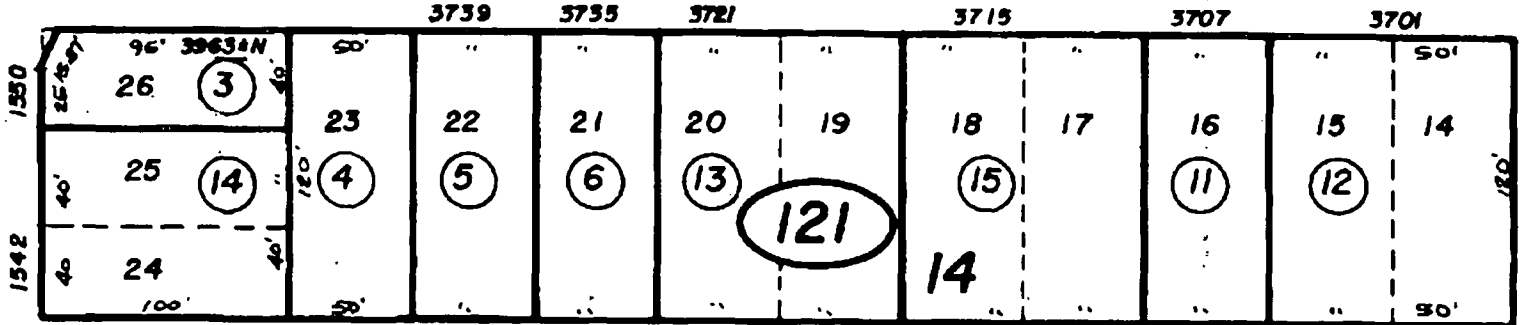
ROBERT P. THOMAS
City Manager

ATTACHMENT 1 - BALSAM STREET PARCEL

MAN Project Site

08

GRAND



6. ROANOKE

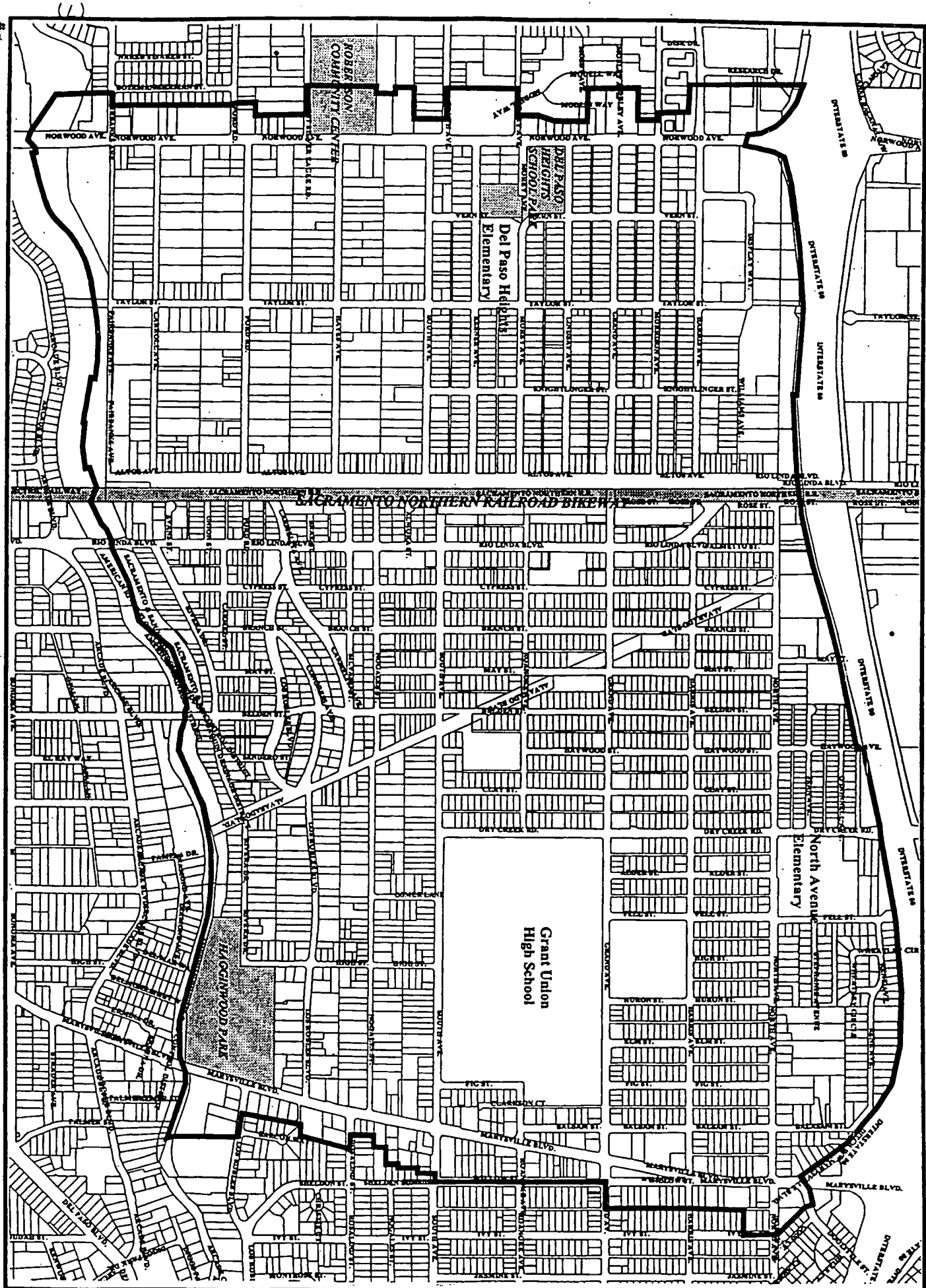
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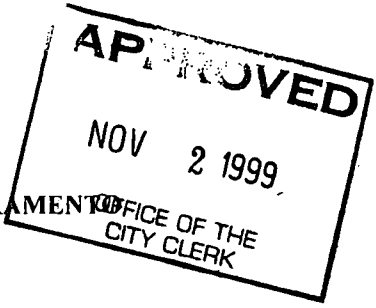
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Del Paso Heights Redevelopment Project Boundary Map



RESOLUTION NO. 99.034



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

**ESTABLISHING JUST COMPENSATION FOR A VACANT
PARCEL LOCATED IN THE 3700 BLOCK OF BALSAM
STREET (APN 251-0121-004) AND AUTHORIZING THE
EXECUTIVE DIRECTOR TO CARRY OUT ALL 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 251-0121-004, is the
fair market value as determined by independent appraisal.

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

Section 3. The Executive Director is authorized to transfer the \$12,929 remaining
balance in the Grand Avenue/Marysville Boulevard Acquisition project to the Balsam Street
Acquisition project to acquire the property and carry out related actions.

CHAIR

ATTEST:

SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

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