

RESOLUTION NO. 2008-558

Adopted by the Sacramento City Council

August 12, 2008

APPROVAL OF THE RELOCATION PLAN FOR ELIGIBLE TENANTS AT 4700 STOCKTON BOULEVARD

BACKGROUND

- A. The Redevelopment Agency of the City of Sacramento desires to acquire real property at 4700 Stockton Boulevard (Property) for redevelopment purposes. Acquisition of the Property furthers the Stockton Boulevard Redevelopment Plan and its program for the elimination of blighting influences. The proposed project supports the Stockton Boulevard Five-Year Implementation Plan, specifically the Obsolete Motel Reuse Reconfiguration Program, and is consistent with the Stockton/ Broadway Urban Design Plan and Broadway/Stockton Special Planning District. The proposed project also supports the objectives of the County's General Plan Economic Development Element by creating a catalyst site for commercial corridor redevelopment to improve community quality of life, balance land uses, and increase the tax base.
- B. Acquisition of the Property does not commit the Agency to proceed with a development project and no specific project is currently contemplated. The land acquisition does not limit the choice of alternatives or mitigation measures available to the Agency for future proposed projects. Environmental review of the proposed project will be conducted prior to approval of any development of the Property. Therefore, the project is exempt from further review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15004(b)(2)(A). National Environmental Policy Act (NEPA) does not apply.
- C. The Agency has prepared a Relocation Plan for the relocation of tenants from the Property, a copy of which is attached as Exhibit A.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

- Section 1. After due consideration of the evidence presented, the findings, including the environmental findings regarding this action, as stated above and in the staff report that accompanies this resolution, are approved.
- Section 2. The Relocation Plan for the eligible tenants at 4700 Stockton Boulevard is approved.

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Exhibit A – Relocation Plan

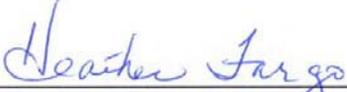
Adopted by the City of Sacramento City Council on August 12, 2008 by the following vote:

Ayes: Councilmembers Fong, Hammond, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

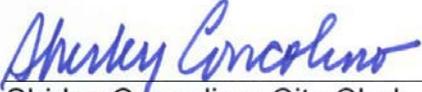
Abstain: None.

Absent: Councilmembers Cohn and McCarty.



Mayor Heather Fargo

Attest:



Shirley Concolino, City Clerk

RELOCATION PLAN FOR THE RIVER CITY MOTEL

SACRAMENTO HOUSING & REDEVELOPMENT AGENCY



PREPARED BY:

Paragon Partners Ltd

March 2008

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ATTACHMENTS

Attachment 1– Regional Area Map

Attachment 2– Project Area Map

Attachment 3– Demographics

Attachment 4– Residential Questionnaire

Attachment 5- Available Replacement Homes for Rent – Replacement Homes For Sale

Attachment 6– Residential Information Brochure for Families and Individuals

Attachment 7 – Informational Brochure for Business, Non-Profit Organizations and Farms

1.0 INTRODUCTION

The River City Motel Project is a part of the ongoing redevelopment in the area along the historic Stockton Boulevard transit route. For over 100 years, Stockton Boulevard was a major transportation artery, linking the old town area of the City of Sacramento to the City of Stockton. The function of the boulevard ended in the early 1960s when State Highway 99 replaced Stockton Boulevard as the regional transportation artery. As a result, traffic was drawn away from the boulevard, causing many businesses to close, while others continued on a marginal basis. Stockton Boulevard's history as a travel route is still evidenced by the continuing presence of older motels, trailer parks, and other auto-related uses.

With severely diminished traffic running along Stockton Boulevard resulting from the creation of State Highway 99, the Sacramento Housing and Redevelopment Agency (SHRA) designated Stockton Boulevard as eligible for commercial revitalization and began a program of rehabilitation loans and façade rebates in the mid-1980s. Although some improvements were made, City and County leaders recognized the need for a long-term commitment. In 1993 SHRA designated Stockton Boulevard as a redevelopment study area, and in May 1994, the Sacramento City Council and the Sacramento County Board of Supervisors approved the adoption of the Redevelopment Plan.

The River City Motel Project will require Sacramento Housing and Redevelopment Agency to assist eight (8) short term residences, one (1) long term on site management unit household and one (1) small onsite owner occupant to relocate from the hotel property. The main goal of the Sacramento Housing and Redevelopment Agency's project is to alleviate blight resulting from the past creation of State Highway 99.

The funding source for the proposed River City Motel Project consists entirely of local and state funding. Therefore Title 25 State Relocation Guidelines will be considered for the relocation of any eligible tenant

In order to comply with the California Environmental Quality Act (CEQA) and the State of California, Title 25, Housing & Community Development Guidelines, this relocation report will provide SHRA with summary and statistical information regarding the potential impact of this project to occupants within the project limits. Specifically, this report will identify potential impacts that may occur as a result of the demolition of existing structures, proposed displacement of occupants, and a presentation of a plan to mitigate respective impacts.

2.0 PROJECT AREA

This project lies within and considered a portion of the greater Stockton Boulevard redevelopment project area which includes 925 acres, and runs along Stockton Boulevard from 14th Avenue in the City, to the City/County boundary line south of Riza Avenue.

2.1 REGIONAL LOCATION (Attachment 1)

SHRA is located in Sacramento County, off Interstate 80, which is the principal arterial route between the Bay Area and Sacramento. SHRA is located in Sacramento's downtown area.

2.2 PROJECT AREA DESCRIPTION (Attachment 2)

The location of the River City Motel Redevelopment project is located along Stockton Boulevard at the corner of Baker Avenue just north of the intersection of 21st Avenue.

The City's ethnic make-up is diverse and consists of, 19.3% Hispanic or Latino, 10.5% African American, 69.9% Caucasian, 13.5% Asian, 0.51% Pacific Islander, 0.80% Native American, and 4.1% from two or more races. **(Attachment 3)**

A resource study was undertaken to ascertain the availability of adequate replacement sites. The report profiles the project area population, describes the resource survey, and details SHRA's relocation assistance program.

The State of California, Title 25, Housing and Community Development Guidelines will be complied with in the implementation of the relocation assistance program.

3.0 ASSESSMENT OF RELOCATION NEEDS

At the request of Sacramento Housing and Redevelopment Agency's request, the short term occupants of the River City Motel have not been individually interviewed to date, It will be necessary to complete a full interview and collect all pertinent documents to determine tenure and income to address the eligibility and relocation needs of the displaced tenants.

General survey questions include existing conditions, type of occupancy, mortgage/lease and income information, size of unit, and relocation needs (i.e. bedroom/bath, pets, physical limitations, etc.). Samples of the questionnaire forms are included. **(Attachment 4A and 4B)**

3.1 FIELD SURVEY DATA

- A. Residential: There are eight (8) short term residents, One (1) long term on-site manager household and one (1) owner occupant household have been identified and will be affected as a result of the project. At the request of the Agency, the 8 short term residential tenants have not been identified, nor has complete documentation to determine eligibly been collected. It will be necessary for the Agency to collect all pertinent documentation to determine tenure and or special needs of tenants prior to the relocation process beginning. At this time no special needs or adjustments to these potential residents are anticipated.
- B. Business: The River City Motel is a short term residential motel with a rental capacity of 30 single efficiency style studio rooms. The rooms are rented on a daily basis up to a maximum period of 28 days under California law. The motel has a separate freestanding manager's unit, onsite ownership quarters and two units for storage.
- C. Concurrent Displacement: There are no projects, current or anticipated, in this general area of Sacramento that will deter SHRA from providing adequate replacement housing referrals to current Project occupants.
- D. Temporary Housing: There is no anticipated need for temporary housing. Should the need arise, SHRA will respond appropriately and in conformance with all applicable laws and requirements.

4.0 RELOCATION RESOURCES

SHRA's relocation consultants will personally inspect the site of each potentially impacted residential unit surveyed in the project area to assess the potential needs for a replacement location. Additionally, SHRA's relocation consultants have engaged in preliminary investigations through internet searches, review of classified advertisements and communication with local real estate brokers to determine the general availability of rental and sale listings in the immediate and surrounding areas of the project.

4.1 RESIDENTIAL REPLACEMENT PROPERTY

For Rent Properties: The survey identified residential replacements for rent. The rental prices range from \$550/month to \$695/month, for one bedroom and two bedroom units. There is evidence of additional available housing in the relocation consultant's files.

Sample Price for Properties for Rent

Size	Price Range of Homes for Rent	Average (Price)
Studio/1 Bedroom	\$550 - \$695/mth	\$625/mth
2 Bedroom	\$650 - \$695/mth	\$675/mth

4.2 BUSINESS REPLACEMENT PROPERTY

Replacement Hotel / Motel Businesses For Sale: The identified replacement hotel / motel businesses are for sale in the general area. The prices vary depending on number of rentable rooms and location. There is evidence that there are suitable replacement referrals available to replace the River City Motel Business.

4.3 Results of Survey – February 2008 (Attachment 5)

The investigation indicated there are an adequate number of replacement units available to accommodate the needs of the displaced residential occupants within the project area. Based on the results of this survey, it seems feasible that the displaced owner occupants and tenants in the Project area will have an adequate supply of available replacement units from which to select.

However, the conclusion from the survey also indicated that, based on the current housing market, comparable housing for residential occupants is not available within the statutory \$5,250 payment limits. As a result, the Agency will have to resort to the administrative process of Last Resort Housing.

5.0 RELOCATION ASSISTANCE SERVICE

SHRA will provide all relocation assistance activities in accordance with the State of California, Title 25, Housing & Community Development Guidelines, as amended. Relocation resources shall be available to all displacees without discrimination.

5.1 Program Assurances, Standards and Objectives

The relocation program to be implemented by the Agency will conform to the standards and provisions of the California Government Code Section 7260 et. seq.; and Title 25, Chapter 6 of the California Code of Regulations.

Pursuant to applicable guidelines, program objectives will be as follows:

1. To fully inform eligible Project area occupants of the nature of and procedures for obtaining relocation assistance and benefits. Printed "Informational Brochures: **(Attachment 7)** will be provided to all Project occupants.
2. To provide an adequate number of referrals to comparable residential sites within a reasonable time prior to displacement and assure that no occupant will be required to move without a minimum of 90 days written notice to vacate.
3. To provide current and continuously updated information concerning residential listings.
4. To provide whatever assistance is required to ensure that the relocation process does not result in different or separate treatment on account of race, color, religion, national origin, sex, marital status or other arbitrary circumstances.
5. To supply information concerning federal and state business programs and other governmental programs providing assistance to displaced persons.
6. To assist each eligible person to complete claims for payments and benefits.
7. To make relocation benefit payments in accordance with all aforementioned guidelines, as applicable.
8. To inform all eligible persons subject to displacement of Agency's policies with regard to eviction and property management.
9. To establish and maintain a formal grievance procedure for use by displaced persons seeking administrative review of Agency's decisions with respect to relocation assistance.
10. To assist eligible persons to become established in residential housing.
11. To provide other advisory assistance to eligible displaced persons in order to minimize the hardship of relocation.

In addition, before displaced occupants are required to move, they will receive: 1.) All required information regarding the Agency's Relocation Assistance Program at least ninety days prior to the date they must move, and 2.) 'Ninety Days' written notice prior to the date they must move.

5.2 CITIZEN PARTICIPATION

SHRA has encouraged citizen participation and comments in the preparation of this Relocation Plan. Consistent with obligations under Section 6012 (Citizen Participation) of the California Code of Regulations, Title 25, Chapter 6 the Agency will provide:

1. Full and timely access to all documents relevant to the Relocation Assistance Program.
2. Technical assistance necessary to interpret elements of the Relocation Plan and other pertinent materials.
3. Copies of this Relocation Plan shall be submitted for review (30) days prior to final approval by the Agency to the following:
 - a. Interested parties who desire to comment will be invited to submit written or oral comments and objections, and such written comments shall be attached to the Relocation Plan when it is forwarded to SHRA for final approval.
 - b. A general notice concerning the availability of this Relocation Plan shall be distributed to all occupants of the Project site. This Plan will be available for review by interested citizen groups, state and county agencies, and by the general public.
 - c. Upon completion of all reviews, the Relocation Plan will be presented for adoption by Sacramento Housing and Redevelopment Agency.

5.3 RELOCATION ADVISORY ASSISTANCE

An important element of the relocation assistance program is to provide all potential occupants with technical and advisory assistance. The following specific activities will be undertaken:

1. Each potential residential occupant will be personally interviewed to gather appropriate information to determine needs and preferences with regard to residential locations.

Inquiries made of residential needs by relocation personnel will focus on family composition, requirements and needs.
2. Printed "Notice of Eligibility letters" will be personally delivered to all displaced persons. Signed acknowledgements will be obtained to verify receipt of this material.
3. Transportation will be provided, if necessary, for any displaced occupant to inspect replacement sites within the local area.
4. Eligible residential owners and tenants will receive referrals to replacement sites that match, as closely as possible, the requirements and preferences of each family with regard to size, cost, and location.

5. Relocation staff will assist residential occupants in preparing for the physical move of personal property and act as a liaison with appropriate agencies.
6. Assistance will be offered to all occupants in connection with arrangements for the purchase of real property, the filing of claim forms to request relocation benefits from the Agency, and to obtain services from other public agencies.
7. For the purposes of scheduled meetings with occupants of the Project, SHRA's Relocation Staff will be available to meet at occupant residence or SHRA's office located at 630 I Street, 2nd Floor, Sacramento, CA 95814.

5.4 GENERAL INFORMATION ON PAYMENT OF RELOCATION BENEFITS

Relocation benefit payments will be made in a timely manner following the submission of appropriate claims. Claims and supporting documentation for claims must be filed with the Agency within eighteen (18) months from: the date the claimant moves from the acquired property **or** the date on which final payment for the acquisition of real property is made, whichever is later. **(Attachment 6)**

The procedure for the preparation and filing of claims and the processing and delivery of payments will be as follows:

1. Claimant(s) will provide all necessary documentation to substantiate eligibility for assistance and payments.
2. Assistance amounts will be determined and required claim forms prepared by relocation staff in consultation with claimant(s).
3. Original signed claims supported by appropriate documentation and a Relocation staff recommendation will be submitted to the Agency.
4. SHRA will review and approve claims for payment.
5. SHRA warrants will be prepared and issued to Relocation staff for distribution.
6. Payments are to be delivered by Relocation staff unless circumstances dictate otherwise. When payments cannot be personally delivered, they will be sent by certified mail, return receipt requested.
7. Receipts of payment will be obtained by Relocation staff and maintained in the case file.
8. Unless otherwise instructed by SHRA, Relocation staff will not deliver final payments until the Project area premises of the claimant(s) have been vacated. Before issuance of final payments, actual occupancy at new quarters must be verified.

5.5 RELOCATION TAX CONSEQUENCES

In general, relocation payments are not considered income for tax purposes. Benefit payments are made subject to the provisions of Title 24 of the Code of Federal Regulations and Chapter 16 of the California Government Code. The above statements on tax consequences are not intended to be tax advice by SHRA. Occupants are encouraged to consult with their own tax advisors concerning the tax consequences of relocation payments.

5.6 Eviction Policy

Under State guidelines, eviction is permissible only as a last resort. Relocation records must be documented to reflect the specific circumstances surrounding the eviction.

Eviction shall be undertaken only for one or more of the following reasons:

1. Failure to pay rent, except in those cases where the failure to pay is due to the lessor's failure to keep the premises in habitable condition, is the result of harassment or retaliatory action or is the result of discontinuation or substantial interruption of services;
2. Performance of a dangerous, illegal act in the unit;
3. Material breach of the rental agreement and failure to correct breach within 30 days of notice;
4. Maintenance of a nuisance and failure to abate within a reasonable time following notice; or
5. The eviction is required by State or local law and cannot be prevented by reasonable efforts on the part of the public entity.

Those who remain in the project area will be obliged to honor the terms and conditions of rental agreements provided by SHRA. Failure to abide by the terms of the rental agreement may result in eviction.

5.7 PROJECTED DATES OF DISPLACEMENT

The displacement period for all eligible displaces will commence once the Relocation Plan has been adopted. It is anticipated that that date will be in **May of 2008** and is anticipated to continue through **December 2008**. The current Project schedule provides adequate time for proper planning of the relocation program and notification to the residential tenants.

5.8 ESTIMATED RELOCATION COSTS

The relocation costs estimates for the eight motel displacements and the hotel onsite manager are listed below. The estimates for the un-interviewed motel residents are calculated as extremely low income residents of Sacramento County Income Limits (**Attachment 3**) and their incomes will be assumed as such until interviews are completed. Tenants of the extremely low income category have an estimated gross monthly income not to exceed

\$1,175.00 a month. As such each Resident will have an estimated monthly ability to pay (ATP) of \$352.50. Replacement rent of \$622.00 has been identified for replacement studio / one bedroom apartments based upon the average replacement rents in the immediate area. Currently there are a suitable amount of replacement properties for the identified displaces.

Based upon the gross monthly income assumptions (\$352.50) and the average replacement rents (\$625.00 Rounded) tenants will have an average monthly rental need of \$272.50. This rental assistance will be paid for a period of forty two (42) months. Estimated relocation eligibility of each motel resident will be \$11,445.00.

The onsite manager's unit consists of a three (3) bedroom unit two (2) of which are occupied by the onsite manager's immediate family. The additional bedroom is occupied by the owner occupant and will not be included within the displacement of the manager and will be carved out as separate space. The onsite manager's household consists of three (3) adults and two (2) children. They will qualify for a two bedroom apartment replacement notice of eligibility. Currently the displacement unit is rented at a cost of \$500.00 dollars monthly. Average replacement costs for a two bedroom apartment in the area are approximately six hundred seventy five dollars (\$675.0rounded).

Additionally, business reestablishment costs will be determined based upon a list of moveable items and the reconnection of all services and increased cost of operation. These costs will be determined based on the replacement property. At this time it is assumed that the River City Motel will require a Business Reestablishment payment at the maximum amount of ten thousand dollars (\$10,000) in addition to these yet to be determined moving payments.

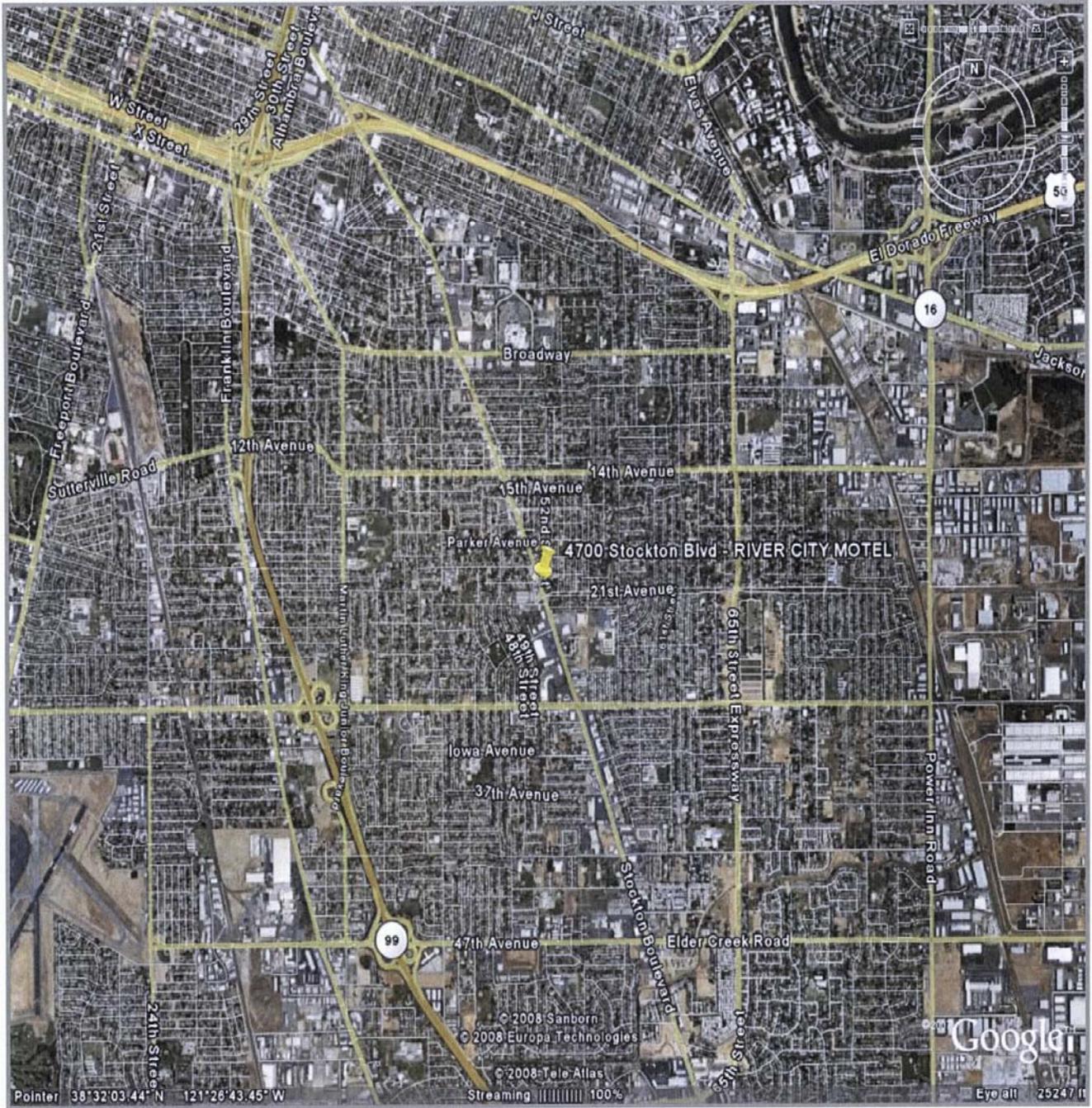
<i>Rental Assistance Payments (8 Motel Residents)</i>	<i>\$91,560</i>
<i>Rental Assistance Payments (1 Onsite Manager Unit)</i>	<i>\$7,350</i>
<i>Residential Fixed Moving Payments (8 Motel Residents \$625 per)</i>	<i>\$5,000</i>
<i>Business Reestablishment Payments</i>	<i>\$10,000</i>
<i>Total Estimated Relocation Cost of Onsite Residents</i>	<i><u>\$113,910</u></i>

5.9 SUMMARY OF RECOMMENDATIONS

In summary, a total of eight (8) short term motel residents will be personally interviewed along with one (1) one on-site manager and one (1) owner occupant in the Project Area will be personally interviewed. Based on the information obtained from the interview and site inspection, the relocation agent will determine if all occupants of property in the project area are eligible for relocation assistance by the Agency.

Relocation Assistance information and assistance will be provided in the primary language of the displaced occupants, in order to assure that all displaced occupants obtain a complete understanding of the relocation program and eligible benefits.

ATTACHMENT 1 – REGIONAL AREA MAP



ATTACHMENT 2 – PROJECT AREA MAP

