



**Sacramento
Housing &
Redevelopment
Agency**

**REPORT TO REDEVELOPMENT AGENCY
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org**

Consent
February 6, 2007

Honorable Chair and Members of the Board

Title: Acquisition of 1212 Del Paso Boulevard

Location/Council District: 1212 Del Paso Boulevard (APN 275 0123 026 0000 and 275 0123 027 0000). (Council District 2)

Recommendation: Adopt a **Redevelopment Agency Resolution** to 1) set just compensation for the property located at 1212 Del Paso Boulevard as the fair market value as established by appraisal; and, 2) amend the 2007 Sacramento Housing and Redevelopment Agency (SHRA) budget to transfer \$650,000 of North Sacramento Taxable Bond funds to the 1212 Del Paso Boulevard Project to fund all actions necessary to purchase this property.

Contact: Chris Pahule, Assistant Community Development Director, 440-1350; Marti Brown, Senior Redevelopment Planner, 440-1322

Presenters: None

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: 1212 Del Paso Boulevard is located on the northeast corner of Del Paso Boulevard and Southgate Road, and within a half block of Regional Transit's Globe Light Rail Station (See Attachment 1). This 20,686 square foot site is currently vacant, but most recently was the previous location of the Nobles car dealership. There is a small commercial building on the site that is approximately 2,475 square feet and was constructed in 1950. The structure has significant signs of deferred maintenance and is deemed to be at or near the end of its economic life.

Acquisition of 1212 Del Paso Boulevard

Earlier this year, the property owner of 1212 Del Paso Boulevard solicited the Redevelopment Agency's interest in purchasing the property, which had functioned as a used car dealership until November 2005, when the business leasing the facility relocated. Situated less than a block from the Globe Light Rail Station, this vacant property is in a prime location for transit-friendly and mixed use development.

Policy Considerations: The report's recommendations are consistent with the community development goals summarized in the 2005-2009 Five-Year Implementation Plan for the North Sacramento Redevelopment Area. In addition, the City of Sacramento is nearing completion of the Northeast Line Plan, which is focused on intensifying development around three of North Sacramento's Light Rail Stations, including Globe Station. The Plan will call for changes in land use, streetscape amenities, and revitalizing the light rail stations.

Environmental Considerations: As part of its due diligence, the Agency has conducted an environmental site assessment (ESA) of the property. The Phase I ESA study revealed that a gas station previously existed on the property and there was no indication that the underground storage tanks have been removed or that any testing for soil or groundwater contamination has occurred. Consequently, a Limited Phase II ESA study was ordered and the Agency is awaiting the results of the study. If there are tanks remaining on-site, there may be State Tank Funds available to cover the costs of any contamination remediation required. In addition, the costs for tank removal and contamination remediation will be off-set from the property's market value, and the Agency is not committed to purchase the property by this action. Acquisition of the property as described herein is in furtherance of the North Sacramento Redevelopment Plan. Acquisition of the property does not commit the Agency to proceed with a development project. California Environmental Quality Act (CEQA) Guidelines Section 15004(b)(2)(A) allows for land acquisition where the Agency will conduct CEQA review once the proposed project has been defined when the acquisition does not limit the choice of alternatives or mitigation measures, and future development of the land is subject to CEQA compliance. Once the scope of development of the property has been defined, environmental review of the proposed project will be conducted. Therefore, this action is exempt from environmental review. NEPA does not apply.

Acquisition of 1212 Del Paso Boulevard

Committee/Commission Action: The *North Sacramento Redevelopment Advisory Committee (RAC)* unanimously recommended the Agency's acquisition of 1212 Del Paso Boulevard at the December 14, 2006 RAC meeting. The votes were as follows:

AYES: Armstrong, Bergstrom, Clark, Curry, Mack, E. McCleary, J. McCleary, C. Mulligan, and M. Mulligan

NOES: None

ABSENT: Harlan and Roberts

Sacramento Housing and Redevelopment Commission Action: At its meeting on January 17, 2007, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Burns, Burruss, Fowler, Gore, Hoag, Piatkowski, Shah, Simon, Stivers

NOES: None

ABSENT: Coriano

Rationale for Recommendation: The property recommended for acquisition is strategically located less than a block from RT's light rail station and immediately north of other Agency-owned properties awaiting revitalization. As a result, the site is positioned for future transit-friendly development and would directly complement the future development of the former IMG furniture store, a RT parking lot, and the 1000 block of Del Paso Boulevard.

By controlling the property and its development, the Agency is able to ensure that any future project on the site is consistent with the community's goals, compliments the adjacent developments, and takes advantage of the nearby light rail station. This property has the potential to serve as a natural bookend to the other proposed projects surrounding the Globe Light Rail Station.

Financial Considerations: Staff estimates that the total cost to purchase 1212 Del Paso Boulevard (APN 275 0123 026 0000 and 275 0123 027 0000), including environmental site assessment studies, closing costs, and maintenance will be approximately \$650,000. The North Sacramento Taxable Bond funds will be used to pay for the property purchase and its associated expenses.

February 6, 2007

Acquisition of 1212 Del Paso Boulevard

M/WBE Considerations: The items discussed in this report have no M/WBE impact; therefore, M/WBE considerations do not apply.

Respectfully Submitted by: 
ANNE M. MOORE
Executive Director

Recommendation Approved:

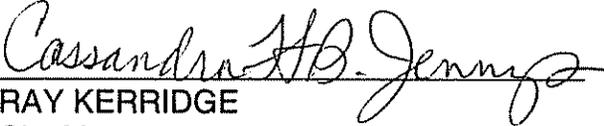
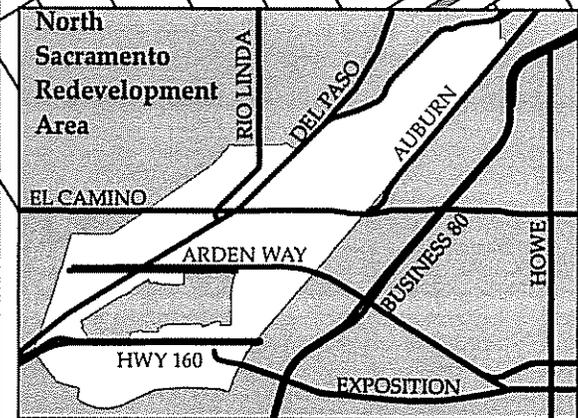
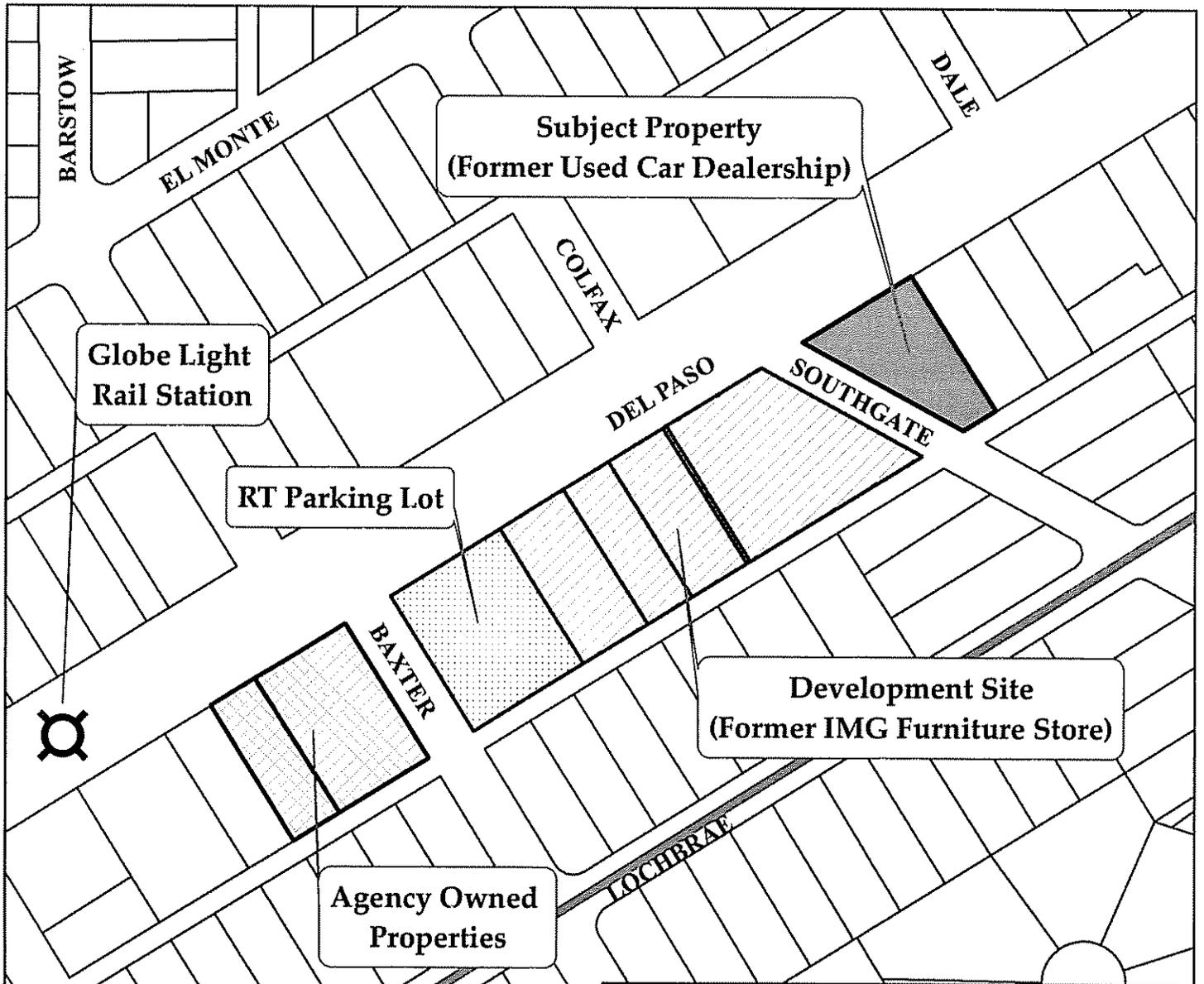

for RAY KERRIDGE
City Manager

Table of Contents

Report	pg. 1
Attachments	
1 Map	pg. 5
2 Resolution	pg. 6

1212 Del Paso Boulevard North Sacramento Redevelopment Area



Key Properties on the Boulevard

- Subject Property - 1212 Del Paso Boulevard
- 1124/1132 Del Paso Boulevard
- 1100 Del Paso Boulevard
- 1022/1030 Del Paso Boulevard
- Redevelopment Area Boundary

V:\CD\Maps\North Sacramento\1212_DelPasoBLVD_8x11P.mxd

RESOLUTION NO. 2007 -

Adopted by the Redevelopment Agency of the City of Sacramento

on date of

AUTHORIZING ACQUISITION OF PROPERTY AT 1212 DEL PASO BOULEVARD FOR JUST COMPENSATION AND AMENDING 2007 BUDGET

BACKGROUND

- A. 1212 Del Paso Boulevard is located on the northeast corner of Del Paso Boulevard and Southgate Road, and within a half block of Regional Transit's Globe Light Rail Station. This 20,686 square foot site is currently boarded and vacant, and a cause of blight within the North Sacramento Redevelopment Project Area.
- B. The site is adjacent to other Redevelopment Agency-owned properties awaiting revitalization and is positioned for future transit-friendly development that would directly compliment the future development.
- C. Acquisition of property does not commit the Agency to proceed with a development project. California Environmental Quality Act ("CEQA") Guidelines Section 15004(b)(2)(A) allows for land acquisition where the Agency will conduct CEQA review once the proposed project has been defined when the acquisition does not limit the choice of alternatives or mitigation measures, and future development of the land is subject to CEQA compliance. Once the scope of development of the property has been defined, environmental review of the proposed project will be conducted. Therefore, this action is exempt from environmental review. The National Environmental Policy Act (NEPA) does not apply.

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

- Section 1. All of the evidence presented having been duly considered, the findings, as stated above, are approved.
- Section 2. The Executive Director or designee is authorized to take all actions as may be reasonably necessary to purchase, for not substantially more than just compensation, the following parcels ("Property").

1212 DEL PASO BOULEVARD (APN 275 0123 026 and 275 0123 027).

Section 3. The Executive Director or designee is authorized to allocate \$650,000 in North Sacramento Tax Increment funds to the 1212 Del Paso Boulevard Acquisition Project, to amend the budget accordingly, and to purchase the Property and carry out related activities.