

City of Sacramento

Legislation Text

File #: 2018-01606, **Version:** 1

Title:

(Redevelopment Agency Successor Agency) Accepting and Transferring Del Paso Heights Property

File ID: 2018-01606

Location: District 2

Recommendation:

Adopt a Resolution: 1) authorizing the City Manager or City Manager's designee to accept property on behalf of the Redevelopment Agency Successor Agency (RASA) to remedy an encroachment of RASA property within the Del Paso Heights Community Garden; and 2) authorizing the City Manager or City Manager's designee on behalf of the RASA to convey the Del Paso Heights Community Garden remainder property at no cost to a non-profit organization to manage the garden operations.

Contact: Leslie Fritzsche, (916) 808-5450, Economic Investment Manager, Office of the City Manager; Bill Sinclair, Real Property Agent, (916) 808-1905, Real Estate Division, Department of Public Works

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Aerial Maps
- 3-Resolution

Description/Analysis

Issue Detail: The City of Sacramento elected to serve as the Redevelopment Agency Successor Agency (RASA) for the dissolved Redevelopment Agency of the City of Sacramento (Agency) for the Agency's non-housing assets and obligations. The property assets transferred to RASA included parcels of land located within Del Paso Heights that are within a PG&E easement that limits any development due to the overhead electrical wires and towers. The property was originally owned by the City and was conveyed to the Agency in 1971.

Over the years, the adjacent property owners have encroached into the Agency property with fences and sheds, and in some cases more permanent improvements. In two situations the only access to the private property is through the Agency property. The properties' current use and the encroachments are shown in Attachment 2.

Under the dissolution law, successor agencies are required to dispose of agency properties. City staff administering the RASA matters have been attempting to work with the 13 property owners that have encroached into the Agency property to sell them a portion of the RASA property so that they do not have to incur the cost to remove their fences and improvements. The value has been set at \$2.00 a sq. ft. based on a recent vacant lot appraisal with adjustments made to that value based on the easement development restriction, with a further discount for larger parcels over 1,000 sq. ft. Also, a six-month payment period has been offered. Thus far most of the property owners have accepted the offer to purchase the RASA property to clear their title and retain the land area that has been encroached.

One of the property owners offered to swap a triangular piece of her property for the RASA property and the values were determined to be equivalent. Although the owner would receive a larger RASA parcel, the property she is granting is more valuable because it is not burdened by the PG&E easement. To comply with state law, we need authorization by means of a resolution for RASA to accept her property to implement this exchange.

Once these encroachments have been resolved, staff will work with a non-profit organization active in Del Paso Heights that is willing to work with the existing gardeners to allow their continued use of the property. Due to the small remaining and noncontiguous parcels and the PG&E easement restrictions, the property is not developable and has minimal value. The Oversight Board for RASA has authorized RASA to convey property of \$10,000 or less without bidding and through a negotiated process.

Policy Considerations: Although RASA is a sperate legal entity from the City, staff follow the City Code provisions with regard to management of RASA matters. The City Council can authorize the exchange and transfer of RASA properties without bidding given their minimal value.

Economic Impacts: None.

Environmental Considerations: This is an administrative activity that does not result in a direct or indirect physical change to the environment and is therefore exempt from environmental review under CEQA per the CEQA Guidelines section 15378(b)(5). Also, minor alterations to land to create new gardens is exempt from environmental review under CEQA Guidelines section 15304.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation:

Financial Considerations: The RASA property has minimal value due to the PG&E easements restrictions that prevent development of the property.

Local Business Enterprise (LBE): Not applicable.