

PLACER COUNTY
REDEVELOPMENT AGENCY

MEMORANDUM

TO: Honorable Members of the Redevelopment Agency Board
FROM: Rich Colwell, Chief Assistant CEO-Redevelopment Director *Rich Colwell*
DATE: July 23, 2007
SUBJECT: Adopt a Resolution and Findings to Authorize the Purchase of a Portion of Parcel APN 090-074-002, Brockway Vista Subdivision, Kings Beach for \$510,000 Plus Estimated Escrow Costs of \$5,000 and Authorize the Chief Assistant CEO-Redevelopment Director or Designee to Sign All Documents Subject to Agency Counsel Review.

ACTION REQUESTED

Adopt a resolution and findings to authorize the purchase of a portion of parcel APN 090-074-002, Brockway Vista Subdivision, Kings Beach for \$510,000 plus estimated escrow costs of \$5,000 and authorize the Chief Assistant CEO-Redevelopment Director or designee to sign all documents subject to Agency Counsel review.

BACKGROUND

On September 12, 2006, your Board authorized the Redevelopment Agency (Agency) to initiate negotiations with owners for acquisition of the vacant portion of a parcel fronting on Rainbow Avenue near Deer Street in Kings Beach (see Attachment: Map). The subject parcel will need a lot split approved so that the southern portion of the parcel, which currently has existing residential units, can remain with the current owners and the vacant northern portion can be acquired by the Agency. The eventual new parcel to be owned by the Agency will total approximately 25,630 square feet and is intended for future use as a 32-space public parking lot and an erosion control water retention feature. The future use would support the Kings Beach Commercial Core Improvement Project, provide additional public parking for local residents and visitors to the adjacent commercial district, and provide additional water quality protection for Lake Tahoe. This site is highly recommended by the Department of Public Works as a key location for needed mitigation of both parking and water quality impacts of the Kings Beach Commercial Core Improvement Project.

Over the past several months, the Agency has conducted due diligence to determine relative property values, assess preservation of existing trees, prepare a Phase I Environmental Assessment report and confirm available coverage for the property. Based on this review, the Agency has concluded that the property can be developed in a cost effective manner. The Agency has engaged representatives of the property owners in negotiations and the parties have arrived at a proposed purchase price of \$510,000, which is considered comparable to other similar recent sales in the Kings Beach area.

Escrow closing will be contingent upon approval of the proposed lot split. With approval of the proposed purchase and sale agreement, staff and the current owners would submit a joint application for the lot split, which would be considered by the County Zoning Administrator. Preliminary discussions with the Planning Department indicate that the proposed lot split is feasible.

Community Redevelopment Law (Health and Safety Code Section 33445) requires that your Board make certain findings for the purchase of land. The land purchase will facilitate the removal of blighting influences on site, provide for the installation of water quality improvement and environmental protection facilities, provide public parking for local residents and visitors, support the local commercial district, and provide enhanced pedestrian and aesthetic amenities. It is determined that there are no other reasonable means of financing the property acquisition. Other County funding sources are already committed towards other obligations. The acquisition and subsequent improvement project will assist in the elimination of blighting conditions in the North Lake Tahoe Redevelopment Project Area and is consistent with the North Lake Tahoe Redevelopment Implementation Plan adopted pursuant to Health and Safety Code Section 33490. A stated goal in the Implementation Plan is to "strengthen community and tourist serving commercial areas by encouraging rehabilitation, provide for improved parking, and install public improvements."

ACQUISITION KEY ELEMENTS

The key elements of the proposed acquisition are the following:

- **Price:** The agreed upon purchase price is \$510,000 plus escrow closing costs, projected to be approximately \$5,000. The Agency proposes to acquire the property in 'as-is' condition. With the lot split the new Agency parcel will have available 25% land coverage, which can be used for development of a potential parking lot.
- **Environmental:** The Agency has prepared a Phase I Environmental Assessment report, which concluded that there is no apparent risk of site contamination on the subject property.
- **Due Diligence:** A Preliminary Title Report was obtained and the Agency will obtain an ALTA title insurance policy prior to closing. A full appraisal was prepared for the property. The purchase and sale agreement provides for a sixty day period for the Agency to be able to continue its due diligence before the escrow closing.
- **California Environmental Quality Act:** Acquisition of property is exempt from review under the California Environmental Quality Act Guidelines, Section 15180 as a process that falls under the Agency's planned activities. The acquisition is consistent with the North Lake Tahoe Redevelopment Plan, which received environmental review certification at the time of adoption.
- **Operational and Maintenance Expenses:** Upon acquisition, the Agency will add the site to its inventory for property management and will be responsible for maintenance of the site.

FISCAL IMPACT

The proposed acquisition falls within the current Agency budget and North Lake Tahoe Redevelopment Tax Allocation Bond funds are available in the Agency's FY 2007-08 Budget to finance this purchase. There will be no impact to the County General Fund.

RECOMMENDATIONS

Adopt a resolution and findings to authorize the purchase of a portion of parcel APN 090-074-002, Brockway Vista Subdivision, Kings Beach for \$510,000 plus estimated escrow costs of \$5,000 and authorize the Chief Assistant CEO-Redevelopment Director or designee to sign all documents subject to Agency Counsel review.

Attachment: Resolution
Site Map
Purchase and Sale Agreement

**CONTRACT/AGREEMENT
FOR REVIEW ONLY AT
THE CLERK OF THE BOARD**

cc: Karin Schwab, Agency Counsel

**Before the Placer County
Redevelopment Agency Board of Directors
State of California**

In the matter of:

Adopt a resolution and findings to authorize the purchase of parcel APN 090-074-002, Brockway Vista Subdivision, Kings Beach for \$510,000 plus related escrow costs and authorize the Chief Assistant CEO-Redevelopment Director or designee to sign all documents subject to Agency Counsel review.

Resol. No.

Ord. No.

First Reading.....

The following Resolution was duly passed by the Redevelopment Agency Board of Directors of the County of Placer at a regular meeting held July 23, 2007 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:
Board
Clerk of said Board

Chair, Redevelopment Agency

WHEREAS, by Ordinance No. 4753-B adopted on July 16, 1996, the Board of Supervisors of the County of Placer has adopted the Redevelopment Plan for the North Lake Tahoe Project Area (Project Area); and

WHEREAS, the Redevelopment Agency of the County of Placer (Agency) is vested with responsibility pursuant to the Community Redevelopment Law (Part I of

Division 24 of the Health and Safety Code of the State of California) (Law) to implement the Redevelopment Plan in the Project Area; and

WHEREAS, the Agency intends to purchase certain real property within the Project Area (Property) to install public parking, water quality improvement facilities and related public improvements, and facilitate new development opportunities; and

WHEREAS, Agency assistance in acquisition of the Property and in funding environmental remediation is contemplated and provided for in Section 308 of the Redevelopment Plan adopted pursuant to Section 33490 of the Law; and

WHEREAS, by staff report accompanying this Resolution and incorporated herein by this reference (Staff Report), the Agency has been provided with additional information upon which the findings and actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED that, based on information presented to the Board of Supervisors and the Agency and in compliance with the requirements of Section 33445 of the Law, the Agency finds and determines as follows:

1. All of the above recitals are true and correct, and the Agency has based the findings and actions set forth in this Resolution, in part, on such recitals.

2. The Agency Board hereby finds and determines that (a) Agency assistance for acquisition of the Property for site assemblage will be of benefit to the Project Area; (b) no other reasonable means of financing the acquisition of the Property and the remediation of environmental deficiencies are available to the community; and (c) the payment of Agency funds for the acquisition of the Property (i) will assist in the elimination of one or more blighting conditions in the Project Area and (ii) is consistent with the North Lake Tahoe Five Year Implementation Plan adopted by the Agency pursuant to Section 33490 of the Law. A summary of the factual and analytical basis used by the Agency in making these findings and determinations is set forth in the Staff Report.

3. The Agency Board approves the payment by the Agency of \$510,000 plus related escrow expenses for the cost of acquiring the Property and authorizes amendment of the Agency's master fixed asset list to include the Property.

4. The Agency Board hereby authorizes the Chief Assistant CEO-Redevelopment Director or designee to sign the attached Purchase and Sale Agreement and Joint Escrow Instructions and all related escrow documents pursuant to the Purchase and Sale Agreement and Joint Escrow Instructions, and to take such actions and execute such other documents as are appropriate to effectuate the intent of this Resolution subject to review by Agency Counsel.

5. This Resolution shall take immediate effect from and after its passage and approval.

