

City of Culver City, California
City Council Agenda Item Report

Meeting Date: March 20, 2006		Item Number: <u>J-1</u>	
AGENDA ITEM: Consideration to 1) Adopt Resolutions Approving the Acceptance of Agency Funds for Acquisition of Properties Located at 8846 National Boulevard and 4064 Colonial Avenue, and Ratification and Approval of such Acquisitions for Public Improvements; 2) Approval of Budget Amendment Transferring Agency Funds to the City General Fund; and 3) Approval of Letters of Acquisition in Lieu of Condemnation.			
Contact Person/Dept.: Alicia Weintraub Joe Susca		Phone Number: (310) 253-5778/5763	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master Notification List (03/16/06)			
Department Approval: Susan Evans (03/16/06)		CAO Approval: Jerry B. Fulwood (03/16/06)	
City Controller Approval: Marlee Chang (03/16/06)			
<u>RECOMMENDATION:</u> Staff recommends that the Culver City City Council (the "Council") 1) adopt resolutions approving the acceptance of Culver City Redevelopment Agency (the "Agency") funds for acquisition of properties located at 8846 National Boulevard and 4064 Colonial Avenue, and ratification and approval of such acquisitions for public improvements; 2) approval of budget amendment transferring Agency funds to the Culver City General Fund; and 3) approval of letters of acquisition in lieu of condemnation. This item requires a 4/5ths vote. <u>BACKGROUND:</u> Staff has been working to acquire the following two properties: <u>Washington-National:</u> Staff has been working to acquire the property located at 8846 National Boulevard, which is within the Washington National project area. The Metro Motel, although a part of the overall development project, is not a part of the Redevelopment Project area. Acquiring this property is essential to achieving the public improvements planned for the project. This project will include a public parking garage that will run the length of the project site, and include a public plaza for both Metro riders and the general public.			

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Washington-Centinela: Staff has been working to acquire the property located at 4064 Colonial Avenue, a single family house for inclusion in the Washington-Centinela project area. The property, although a part of the overall development project, is not a part of the Redevelopment Project area. Acquiring this property is essential to achieving the public improvements planned for in the project. The majority of the 4064 Colonial Avenue property will be used to construct a thirty-foot wide public alley to enhance vehicular traffic flows and safety adjacent to the project.

California Health and Safety Code (HS) Section 33445 requires the Council to find: 1) the use of Agency funds outside a redevelopment project area is of benefit to the project area funding the improvement; 2) there is no other reasonable means of financing the improvements; 3) the expenditure is consistent with the Agency's implementation plan; and 4) that funding public improvements will assist in the elimination of one or more blighting conditions inside the project area or assist in providing affordable housing. These projects meet all of the HS 33445 requirements.

DISCUSSION:

The total amount for purchase of both properties is \$5,666,701. The Metro Motel offer and agreement includes purchase of the motel at fair market value, compensation for all furniture, fixtures and equipment, and loss of goodwill. The 4064 Colonial property offer and agreement includes its fair market value and relocation expenses.

Due to the circumstances, staff believes it is appropriate to issue letters of acquisition in lieu of condemnation for the properties. The property owners are aware of such letters, which may have tax benefits for the owners.

FISCAL ANALYSIS:

There are adequate funds in the Agency budget for these purchases. Funds will be transferred from the 2002 Bonds Fund (Agency Budget) to the City's General Fund.

ATTACHMENTS:

- 1) Resolutions
- 2) Acquisition Letters

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MOTION:

That the Council:

1. Approve a budget amendment transferring \$5,666,701 of Agency funds to the City General Fund;

This item requires a 4/5th affirmative vote

2. Adopt resolutions approving the acceptance of Agency funds for the acquisition of property located at 8846 National Boulevard and 4064 Colonial Avenue and ratification and approval of such acquisitions for public improvements; and
3. Approve the execution of letters of acquisition in lieu of condemnation for the properties, and authorize the Community Development Director to execute the letters on behalf of the City.