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SUBMITTAL TO THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FROM: Redevelopment Agency

SUBMITTAL DATE:
March 2, 2007

SUBJECT: Adoption of RDA Resolution Number 2007-011, Notice of Intent to Purchase Real Property in the Desert Communities Project Area – APNs: 727-184-013, 014 and 727-184-026 – 4th Supervisorial District.

RECOMMENDED MOTION: That the Board of Directors:

1. Adopt RDA Resolution No. 2007-011, Notice of Intent to Purchase Real Property in the Desert Communities Project Area within the unincorporated community of Mecca, County of Riverside;
2. Direct the Clerk of the Board to give notice of this proposed purchase of real property pursuant to Health and Safety Code Section 33397 and Government Code Section 6063; and
3. Authorize the Executive Director or designee to prepare and bring back for approval a purchase agreement between the Redevelopment Agency and the affected property owners.

BACKGROUND: On January 10, 2006, the Board of Directors approved the Mecca Revitalization Plan. In support of this Revitalization Plan and the Redevelopment Plan for the Desert Communities Project Area, Agency desires to purchase the subject parcels, identified as Assessor's Parcel Numbers 727-184-013, 014 and 727-184-026.

(continued on Page 2)

RZ:JC:DL:TE:JMP:AMG:ag

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Robin Zimpfer
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Executive Director

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 701,650	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$ 0	For Fiscal Year:	2006/2007

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: No

SOURCE OF FUNDS: Desert Communities Project Area - Redevelopment Capital Improvement Funds

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

Jerry G. Suter

- Policy
- Policy
- Consent
- Consent

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 1/10/06, 4.1

District: 4

Agenda Number:

4.1

Reviewed by
CIP TEAM

FORM APPROVED
COUNTY COUNSEL

Departmental Concurrence
MAR 05 2007
BY: [Signature]

5001MVB-3 6M 1:PS

March 5, 2007

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BACKGROUND (continued):

Agency staff has successfully negotiated an acquisition of APNs 727-184-013 and 727-184-014 at the purchase price of \$360,000 from Adalberto C. Gonzalez and Elfida T. Gonzalez, Husband and Wife as Joint Tenants which includes the existing Fixed Fixtures and Equipment, and APN 727-184-026 at the purchase price of \$150,000 from Clara F. Alterado and Nena F. Adona, as Joint Tenants. The prices are consistent with current property values in the Mecca area based on an independent fee appraisal report. The Agency will provide relocation benefits and assistance as required under the Relocation Act of 1970.

The Agency's contracted relocation company, Overland, Pacific & Cutler, Inc., known as "OPC," has estimated the relocation benefits to be approximately \$171,650 for the displacees. An additional \$20,000 is requested to cover any miscellaneous cost associated with the acquisition of needed parcels.

The following summarizes the costs necessary to purchase the subject property and the estimated relocation benefits entitled to the displacees.

Estimated purchase Price of Real Properties (APNs: 727-184-013, 014, and 727-184-026)	\$510,000
Estimated Relocation Benefits	\$171,650
Miscellaneous Costs	<u>\$ 20,000</u>
TOTAL	\$701,650

It is recommended that the Board of Directors adopt RDA Resolution No. 2007-011 giving notice of the Redevelopment Agency's intent to purchase the subject property and the allocation of needed funds from the Desert Communities Project Area - Redevelopment Capital Improvement Funds..

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3 **RDA RESOLUTION NO. 2007-011**
4 **INTENT TO PURCHASE REAL PROPERTY APNs 727-184-013, 014 and 727-184-026**
5 **IN THE DESERT COMMUNITIES PROJECT AREA**
6 **Fourth Supervisorial District**

7 **WHEREAS**, the Redevelopment Agency for the County of Riverside hereinafter
8 "Agency," is a Redevelopment Agency duly created, established and authorized to transact
9 business and exercise its powers, all under and pursuant to the provisions of the Community
10 Redevelopment Law which is Part 1 of Division 24 of the California Health and Safety Code
11 (commencing with Section 33000 et seq.);

12 **WHEREAS**, Agency has adopted a Redevelopment Plan, hereinafter the "Plan," for the
13 Desert Communities Project Area, hereinafter referred to as "Project Area,"; and

14 **WHEREAS**, pursuant to Section 33670 of the Health and Safety Code, the Agency
15 began receiving tax increment from the Project Area in January 1988, and continues to
16 receive annual tax increment revenue; and

17 **WHEREAS**, pursuant to the provisions of the Community Redevelopment Law, Section
18 33391 of the Health and Safety Code, the Agency may acquire, within a survey area or for
19 purpose of redevelopment, any interest in real property; and

20 **WHEREAS**, the Agency has, based on an independent fee appraisal report, negotiated
21 a purchase price of \$360,000 for Assessors Parcel Numbers 727-184-013, 727-184-014; and
22 \$150,000 for Assessors Parcel Number 727-184-026, collectively referred to as "Property",
23 more particularly described in Exhibits "A" and "B", attached hereto and made a part hereof ;
24 and

25 **WHEREAS**, said negotiated price for APN 727-184-013 and 727-184-014 includes the
26 existing Fixed Fixtures and Equipment estimated to be \$22,900, based on an independent
27 appraisal report, as shown on Exhibit "C" attached hereto and made a part hereof; and

28 **WHEREAS**, said negotiated purchase price for APN 727-184-013 and 727-184-014
does not include any loss of Goodwill as determined by an independent appraisal report; and

WHEREAS, the Agency must provide relocation assistance as required under the
Relocation Act of 1970 to re-establish the existing business elsewhere in Mecca; and

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2 **WHEREAS**, the Agency is requesting an additional amount of \$20,000 to cover
3 miscellaneous costs; and

4 **WHEREAS**, the Property is located within the Project Area; and

5 **WHEREAS**, the acquisition of the Property will assist in implementing the Plan for the
6 Project Area and will help eliminate physical blighting conditions within the Project Area; and

7 **WHEREAS**, prior to using the Property for the purpose described in the Plan, the
8 Agency understands and agrees to fully comply with the California Environmental Quality Act.

9 **BE IT RESOLVED, DETERMINED, AND ORDERED** by the Board of Directors of the
10 Redevelopment Agency for the County of Riverside, State of California, that certain real
11 property located within the County of Riverside, State of California, shown on Exhibit "A" and
12 "B" attached to this resolution, is desired by Agency for redevelopment purposes and NOTICE
13 IS HEREBY GIVEN that it is the intention of the Board of Directors to purchase said real
14 property pursuant to the provisions of Section 33391 of the Health and Safety Code upon the
15 following terms and conditions:

16 1. That the nature of the Property, Exhibit "A", to be purchased is currently
17 improved and a business known as Elfi's Restaurant is currently operating in approximately
18 1,869 square foot of usable building area. The Property is estimated to be approximately
19 7,513 square feet or 0.17 acre+/-.

20 2. That the sellers of the Property, Exhibit "A", are Adalberto C. Gonzalez and
21 Elfida Gonzalez, Husband and Wife as Joint Tenants.

22 3. That the negotiated all inclusive purchase price is \$360,000 based on an
23 independent appraisal report. Said negotiated purchase price includes existing Fixed Fixtures
24 and Equipment as shown on Exhibit "C" attached hereto and made a part hereof.

25 4. That the nature of the Property Exhibit "B", to be purchased is currently
26 improved with a 1,115 sq. foot single family home. The sellers are Clara F. Alterado and
27 Nena F. Adona, as Joint Tenants.

28 5. That the negotiated purchase price is \$150,000 based on an independent

1 appraisal report.

2 6. That the Agency's relocation consultant, Overland, Pacific and Cuttler "OPC",
3 has estimated the relocation benefits to be approximately \$171,650 for the displacees.

4 7. That the Agency requests an additional \$20,000 to cover miscellaneous costs.

5 8. That the agreement to purchase the Property shall be considered by the Board
6 of Directors on 4/17/2007, in the meeting room of the Board of Directors, County
7 Administrative Center, 4080 Lemon Street, 1st Floor, Riverside, California, 92501-3656, at
8 9:00 AM, or as soon thereafter as the agenda of the Board permits.

9 IT IS FURTHER RESOLVED that the Clerk of the Board is directed to give notice of
10 this purchase pursuant to Health and Safety Code Section 33397 and Government Code
11 Section 6063.

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26 FORM APPROVED
COUNTY COUNSEL

27 MAR 05 2007

28 *Michelle Coet*

EXHIBIT "A"

LOTS 13 AND 14 BLOCK 10, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY AMENDED MAP OF MECCA TOWNSITE, AS SHOWN BY MAP ON FILE IN BOOK 9 PAGE 93 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

EXHIBIT "B"

THAT PORTION OF LOT 1 IN BLOCK 10 OF THE AMENDED MAP OF MECCA TOWNSITE, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGE 93 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY LYING NORTHERLY OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 1; THENCE ALONG THE EASTERLY LINE OF SAID LOT SOUTH $0^{\circ} 04' 24''$ EAST, 77.64 FEET TO THE TRUE POINT OF BEGINNING: THENCE LEAVING SAID EASTERLY LINE OF LOT SOUTH $89^{\circ} 20' 21''$ WEST, 50.01 FEET TO A POINT ON THE WESTERLY LINE OF SAID LOT 1 DISTANT THEREON SOUTH $0^{\circ} 04' 41''$ EAST, 78.14 FEET FROM THE NORTHWEST CORNER OF SAID LOT 1.

EXHIBIT "C"

Immovable Fixture Listing for:
 Elfi's Restaurant
 Located at 65974 Coahuilla Avenue, Mecca, California

Date of Value:
 August 18, 2005

<u>Item No.</u>	<u>Description</u>	<u>Condition</u>	<u>Quantity</u>	<u>Replacement Cost New</u> \$	<u>Fair Market Value In Use</u> \$	<u>Orderly Liquidation Value</u> \$
Exterior						
1	Sign, building, light metal cabinet, formed plastic face, 4' x 2'	G	1	1,300	845	0
2	Banner, vinyl, 2 color, 8 words, 12' x 4'	F	1	135	80	0
Interior						
3	Blinds, vertical, 96" x 52"	F	2	315	155	0
4	Blinds, vertical, 76" x 52"	F	1	150	75	0
5	Counter, customer service, open back, tiled top, 26 ± lf x 24"d	VG	1	1,460	950	0
6	Ceiling fans with light kits	F	5	1,875	935	0
7	Sink, s.s., 3 tub, 2 drain boards, process plumbing, 51"w	F	1	2,930	1,465	0
8	Shelf, wall, 54" x 21" with (2) brackets	F	1	185	90	0
9	Mirror, security, circular, 30" dia.	F	1	295	145	0
Kitchen						
10	Range hood, galvanized, 7'6" x 3'6", with make-up air, exhaust, duct work, process electric wiring, and fire extinguisher system	U	1	18,750	9,375	0
11	Food preparation counter, painted wood base, s.s. top, "L" shape, 16 ± lf	U	1	2,400	600	0
12	Shelving, wall, painted wood, "L" shape, 3-4 tier, 16 ± lf, 9-12"d, with pass-thru window	U	1	600	210	0

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<u>Item No.</u>	<u>Description</u>	<u>Condition</u>	<u>Quantity</u>	<u>Replacement Cost New</u> \$	<u>Fair Market Value In Use</u> \$	<u>Orderly Liquidation Value</u> \$
13	Back bar food preparation/storage counter, painted wood base, laminate top, lower and upper shelving, 10'lg	U	1	1,250	500	0
14	Sink, s.s., 3 tub, process plumbing, 90"w	G	1	2,995	1,945	0
15	Back bar dish table/storage, painted wood base, laminate counter top, 3 tier upper shelving	U	1	875	350	0
16	Process plumbing and gas piping for equipment	F	lot	6,250	3,750	0
Storage Room						
17	Shelving, wall, painted wood, 72"w x 84"h x 13"d	F	1	185	90	0
Rear Lot						
18	Storage shed, aluminum, 10' x 8'6"	G	1	1,345	1,010	0
General						
19	Telephone system installation, consisting of: (1) Incoming line; (lot) Wiring	EX	lot	<u>380</u>	<u>380</u>	<u>0</u>
Total				43,675	22,950	0

