



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: January 27, 2015

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Appropriation Of Funds And Authorization For Deposit Of Funds For Condemnation Action For The Cabrillo Boulevard Bridge Replacement

RECOMMENDATION: That Council:

- A. Increase appropriations and estimated revenues related to the Federal Highway Administration Grant by \$3,673,995 in the Fiscal Year 2015 Streets Capital Fund for the Cabrillo Boulevard Bridge Replacement Project;
- B. Authorize an increase in estimated revenues and appropriations of \$200,000 in the Streets Capital Fund to cover the cost of legal services to the City on matters related to the Cabrillo Boulevard Bridge Replacement Project funded from anticipated future sale of surplus properties acquired for current bridge replacement projects; and
- C. Authorize the Public Works Director to make a deposit of the probable condemnation compensation amount of Three Million Five Hundred Forty Seven Thousand Dollars (\$3,547,000) to the State of California Treasury, or directly to the property owner of the properties at 13 (AKA 15) East Cabrillo Boulevard (APN: 033-111-012), 21 Helena Avenue (APN: 033-111-004), and 6 State Street (APN: 033-111-011), as determined by the Stipulation for Possession.

DISCUSSION:

As part of the Cabrillo Bridge Replacement Project, the City requires the acquisition of certain temporary and permanent easements over 13 (otherwise known as 15) East Cabrillo Boulevard (APN: 033-111-012), 21 Helena Avenue (APN: 033-111-004), and 6 State Street (APN: 033-111-011). On November 18, 2014, Council authorized the Resolution of Necessity, via City Resolution No. 14-082, and in doing so authorized the City to proceed with the eminent domain process to acquire the necessary rights over the above-stated properties.

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The City began the condemnation process to acquire the property identified in the Resolution of Necessity by filing a Complaint in Eminent Domain with the Superior Court of the State of California, County of Santa Barbara, on November 26, 2014. The City is scheduled to file a Stipulation for Possession in January of 2015, which requires the City to transfer the amount of Three Million Five Hundred Forty-Seven Thousand Dollars (\$3,547,000) with the State of California Treasury or directly to the property owner.

Based on a certified appraisal, the Public Works Director fixed the probable amount of just compensation on May 12, 2014, to be the amount of \$3,547,000. The final compensation will be determined through the court action. If it is determined that the property owner is due an amount above the \$3,547,000, the City will be required to pay the difference to the property owner. If it is determined that the property owner is due less than the \$3,547,000 paid to them, the property owner is required to reimburse the City. Should this be the case, the reimbursement to the City will be directed by the court.

The Resolution of Necessity authorized the City to deposit the the probable amount of just compensation into the State Condemnation Fund (State of California Treasury). Once the money is deposited with the State of California Treasury, the property owner is allowed to withdraw the money. During the early stages of the eminent domain process, staff determined that the most expeditious method of handling the payment would be to make the payment directly to the property owner, as allowed under the eminent domain law. Therefore, staff is recommending that, if requested by the property owner, payment be made directly to them rather than to the State of California Treasury, which is consistent with the terms of the Stipulation for Possession.

Further, pursuant to the Stipulation for Possession, the City is to reimburse the property owner in an amount not to exceed \$5,000 for an appraisal report. Payment to the property owner will not be made until proof of billing or an order for an appraisal report is provided to the City.

BUDGET/FINANCIAL INFORMATION:

Caltrans has authorized reimbursable expenses related to the Right of Way phase of the Project. The total amount of federal grant funds authorized for this phase is \$4,158,254. Of that amount, \$3,673,995 remains to be appropriated by the City.

Caltrans will approve reimbursement to the City for participating costs, including the final condemnation price, at reimbursement rate of 88.53 percent. The remaining 11.47 percent is the City's responsibility.

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PREPARED BY: Pat Kelly, Assistant Public Works Director/City Engineer/MAW/sk

SUBMITTED BY: Rebecca Bjork, Public Works Director

APPROVED BY: City Administrator's Office