



Staff Report

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Yountville Town Council Staff Report

DATE: May 5, 2020
TO: Mayor and Town Council
FROM: John Ferons; Deputy Public Works Director

TITLE

Consider Adoption of Resolution Number 20-3985 Authorizing the Town Manager, on behalf of the Town, to sign the necessary documents to purchase real property located at 6470 Washington Street, APN 036-090-021 and for a temporary construction easement for the Hopper Creek Pedestrian Path (PK-0003) Segment from Oak Circle to Mission Street.

DISCUSSION/BACKGROUND

As a part of its General Plan, the Town has been working on the long-term goal of establishing a continuous Pedestrian Path along Hopper Creek. A number of segments have been built to date, but the segment from Oak Circle Park to Mission Street remains unconstructed. This segment is located along Hopper Creek beginning at Oak Circle Park traveling south to Mission Street. This segment will connect the previously completed Hopper Creek Pedestrian Path segments at each end.

This segment is proposed as Capital Improvement Project PK-0003, Hopper Creek Path, Oak Circle to Mission Street. The project will construct a multi-use pedestrian path from Oak Circle Park on the east side of the creek with a bridge spanning +/-80 feet to the west side of the creek to the rear of the Ad Hoc/Addendum property. It would then run south +/- 400 feet along the rear of the Ad Hoc and West America Bank properties terminating at Mission Street. The design will consist of a pre-fabricated pedestrian bridge connecting the existing path in the park to a +/- 8-foot wide colored concrete path, matching the style of other existing Hopper Creek segments in Town.

The current project was approved by Council in the FY 2019/2020 CIP Budget allocating local funds for the environmental/design/property phase of the project. The Town has received state transportation funds for the construction phase of the project. The environmental/design/property phase proceeded and at the November 5, 2019 Town Council Meeting, Council approved Resolution Number 19-3592, adopting a CEQA Negative Declaration approving the Hopper Creek Multi-Use Pedestrian Path Project (PK-0003), also approving the design plans and authorizing the staff to solicit bids after the construction funds have been secured. Those State Transportation Improvement Program (STIP) construction funds have been requested by Town staff and are anticipated to be authorized at the upcoming California Transportation Commission's regularly scheduled meeting in May.

An outstanding, critical path item for the project is to complete the acquisition of the necessary property rights for the alignment of the path. The project is located on both public and private lands and as such requires three permanent easements from private properties; Ad Hoc Restaurant along the rear of the parcel, Rancho

de Napa for the Mission Street crossing, and West America Bank also along the rear of the parcel. Ad Hoc Restaurant, as a part of its use permit amendment, was conditioned to grant an easement for the project which was recorded in September 2019. Rancho de Napa Mobile Home Park has also granted their easement to the Town which was recorded in July 2019. Acquisition of the West America Bank piece, also known as the Maxwell Property, remains to be completed.

The Town began working with the property owner discussing options such as an easement or purchase of land in fee title. To facilitate this process as required by property acquisition regulations and grant funding rules, the Town hired a right-of-way consultant, Interwest Real Property Group, as a third party property agent, to manage the prescribed process a local agency must follow when seeking to acquire property rights from a private property owner. Interwest's services include providing an appraisal report, an appraisal peer review, determining just compensation (fair market value), and negotiating with the property owner. After securing a preliminary title report for the property, meeting with the Maxwell's and their representation, explaining the project, and negotiating the acquisition, it became apparent that acquiring the rights for a public access easement would not be possible. The property owner is not willing to provide a public access easement to the Town for the purposes of the path.

Therefore, the concept for the acquisition was switched from the Town acquiring an easement to the Town purchasing the land outright as Fee Title. While this would require an increase in the square footage of land to be acquired, it would provide a better result for all parties concerned and helps to avoid a cumbersome, expensive eminent domain process.

In addition to permanent access needs, the Town also needs to acquire a Temporary Construction Easement (TCE) on the Maxwell parcel to provide space to physically construct the path. The TCE will provide access for the contractor to construct the path over a defined length of time, then it will expire, returning the space to the owner for their regular use.

Finally, the acquisition of the land also requires the purchase of any improvements that are constructed or located on the area to be acquired. In this case those improvements consist of an existing fence, decorative landscaping and a small portion of the paved parking lot.

Interwest proceeded on the Town's behalf, pursuing acquisition of the +/- 5,640 square foot fee title, the +/- 1,398 square foot temporary construction easement and the valuation of any improvements within the area to be acquired. A property appraisal was prepared to determine the fair market value of the purchase. That appraisal was then subject to a peer review to assure an appropriate valuation of the real property. For further reference, public works staff compared the price per square foot of this acquisition (+/- \$50/sq ft) with other recent acquisitions in the City of Napa. Our price was determined to be a mid-range value where in downtown Napa the price per square foot can be double (\$100/sq ft). Therefore, our number is generally reasonable and within a likely range of values.

The resulting determination of just compensation for the acquisition described above is as follows:

Fee Acquisition, 5,640 sq ft:	\$282,000
Temporary Construction Easement, 1,398 sq ft, 18-months:	\$ 1,040
<u>Existing Improvements, Fence, Landscaping, Paving:</u>	<u>\$ 1,000</u>
Total	\$284,040

The result of the fee title acquisition instead of an easement acquisition is a net increase in cost of +/- \$204,000. The cost for the TCE and existing improvements remains the same in either scenario.

While there is a net increase in anticipated costs for the property acquisition, the CIP budget for this project has adequate funds to accommodate the increase. The budget was structured to support the phased nature

of the project, meaning \$550,000 of local funds were allocated for the FY19/20 environmental/design/property phase of the project and \$500,000 of State Transportation Program funds are being allocated for the FY20/21 construction phase of the project.

At present the FY19/20, PK-0003 Hopper Creek Path CIP has a local fund balance of +/- \$400,000 which is adequate to cover this proposed \$284,040 acquisition. The scheduled FY20/21 STIP allocation from the state is an amount up to +/- \$500,000 which is adequate to cover the estimated +/- \$360,000 construction cost.

Adoption of the proposed resolution will authorize the Town Manager to purchase real property and a temporary construction easement located at 6470 Washington Street, APN 036-090-021 as needed for the Hopper Creek Path, Oak Circle to Mission St. Capital Improvement Project (PK-0003).

To date the Town has spent +/- \$140,000 on the project's CEQA environmental determination including its various studies, civil, geotechnical & structural engineering design and regulatory permitting costs. If the Town is unable to complete the acquisition of the necessary property rights that prior effort, the effort to get the STIP Grant and the actual \$500,000 in grant funds will be forfeited.

ENVIRONMENTAL REVIEW

The proposed action is included in the Negative Declaration adopted at the November 5, 2019 Town Council Meeting via Resolution Number 19-3592.

FISCAL IMPACT

Is there a Fiscal Impact? Yes

Is it Currently Budgeted? Yes

Where is it Budgeted? PK-0003; 50-6000-5400

Is it Mandatory or Discretionary? Discretionary

Is there a Staff Resource Impact? No

STRATEGIC PLAN GOAL

Is item Identified in Strategic Plan? Yes

If yes, Identify Strategic Goal and Objective. **Exceptional Town Services and Staff:** The Town supports its talented staff who deliver high quality municipal programs and services while maintaining public infrastructure for the benefit of the community. **Quality of Life:** The Town enhances the livability of Yountville by providing well-maintained public facilities, parks and trails, and quality programs and events.

Briefly Explain Relationship to Strategic Plan Goal and Objective. The acquisition of the subject property will allow completion of this segment of the Hopper Creek Path, fulfilling a goal in the Town's General Plan creating public infrastructure for the benefit of the community enhancing the livability of Yountville.

ALTERNATIVES

Reject the proposed Resolution and provide direction to staff.

Stop the project, forfeit the prior CEQA design and permitting for the project, and relinquish the \$500,000 grant for the construction of the path.

This Hopper Creek Path segment would remain incomplete and as outlined in the General Plan, left to be completed at a later date.

RECOMMENDATION

Receive staff report and direct questions to staff.

Receive public comment.

Conduct Council discussion on proposed Resolution.

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