



STAFF REPORT
10/11/2023

TO: Honorable Mayor and City Council Members

FROM: Andrew Simmons, P.E., City Engineer

SUBJECT: Approval of the Comparable Housing Analysis and Replacement Housing Valuation per the Uniform Relocation Act for a maximum Purchase Differential amount of \$113,000 for the Parcel Located at the Southeast Corner of Avenue 50 and Kenmore Street for the Avenue 50 Widening Project, City Project ST-93.

STAFF RECOMMENDATION:

Approve the Comparable Housing Analysis and Replacement Housing Valuation (Attachment 1), per the Uniform Relocation Act for a maximum Purchase Differential amount of \$113,000 for the Parcel Located at the Southeast Corner of Avenue 50 and Kenmore Street for the Avenue 50 Widening Project, City Project ST-93.

BACKGROUND:

On March 9, 2016 City Council authorized a reimbursement agreement by and between the City of Coachella and Coachella Valley Association of Governments (CVAG) for a total of \$4,500,000 regional funds toward the design and construction of the Avenue 50 Widening Project. During the design and environmental phases of the project it was determined that the cost would exceed the initial budget estimate due to unforeseen drainage issues and complicated right-of-way acquisition procedures. On July 14, 2021, City Council authorized an amendment to the reimbursement agreement for the final plans, specifications and engineer's estimate (PS&E) documents, right-of-way acquisition and construction for a total funding amount of \$9,250,000.

DISCUSSION/ANALYSIS:

On June 28, 2023, city Council Authorized Resolution 2023-24 which authorized the purchase of Real Property from Javier Botello and Virginia Botello for a Purchase Price of \$391,603.00 Consisting of One Parcel Located at the Southeast Corner of Avenue 50 and Kenmore Street for the Avenue 50 Widening Project, City Project ST-93 (APN:768-163-001). City Staff has completed real estate and escrow transactions for the successful completion of this approved acquisition.

Per the Uniform Relocation Act found in the Caltrans Manual (Section 10.01.09.05), a displaced property owner is also eligible for Replacement Housing Payments (RHP) based on an approved Comparable Housing Analysis. The comparable housing analysis is attached for review and

approval to determine the Replacement Housing Valuation (RHV) and shows that a maximum fair Replacement Housing Payment should be set at \$113,000. The owner of the subject property shall have 18 months, per the Uniform Relocation Home to locate a replacement property that meets the criteria of a comparable replacement property and submit a claim for a Replacement Home Payment. Section 10.01.09.05 of the Uniform Relocation Act reads as follows:

10.01.09.05 Replacement Housing Payments (RHP)

A residential displacee is eligible for an RHP that may assist them in relocating to a replacement property. The type and amount of the payment vary between tenured and non-tenured occupants, and between owners and tenants.

- *90-Day Owner-Occupants may be entitled to an RHP which is comprised of a purchase differential, incidental Expenses, and a mortgage Interest Differential.*
- *90-Day Occupants and Non-Tenured Occupants (Owner and Tenant) may be entitled to a Rental Differential or a DP.*

The amount of the purchase Differential and the Rental Differential is determined by preparing a Replacement Housing Valuation (RHV) that ensures there is a replacement property available on the market that is comparable to the property being acquired by the Department, and meets the DS&S standards established in the Uniform Act.

Additionally, the residential occupants must meet the following requirements in order to receive the full amount of their calculated RHP:

- *Occupy a DS&S residential dwelling, within one (1) year of the eligibility date.*
- *Spend at least the amount of the comparable replacement property (as determined by an approved RHV) on the actual replacement property.*
- *Submit a claim for the eligible RHPs within 18 months of the eligibility date.*

FISCAL IMPACT:

If the property owner submits an approvable claim within 18 months then the reimbursement will be billed to the Avenue 50 Widening Project (ST-93). The property purchase and additional costs such as RHP for the Avenue 50 Widening Project (ST-93) have been budgeted and are included in the reimbursement agreement with CVAG. The existing reimbursement agreement splits cost under a 75% regional share/25% local share. The local share is budgeted to Street and Transportation Development Impact Fees (Fund 127).

ATTACHMENTS:

1. Comparable Housing Analysis