



**STAFF REPORT**  
**6/23/2021**

**TO:** Honorable Mayor and City Council Members

**FROM:** Nathan Statham, Finance Director

**SUBJECT:** Authorization and appropriation of deposit funds for eminent domain proceedings for the SR-86/Avenue 50 new interchange project (ST-81).

---

**STAFF RECOMMENDATION:**

Staff recommends that the City Council adopt resolution 2021-37 approving and appropriating deposit funds for the ST-86/Avenue 50 new interchange project (ST-81) eminent domain proceedings.

**BACKGROUND:**

City CIP project ST-81 is currently in progress. Current City budgets include funding for the completion of project planning and design. The City has been awarded grant funding for the construction phase of the project through CalTrans which includes right of way acquisition.

The City Council recently adopted a resolution of necessity authorizing the filing of eminent domain proceedings to acquire the property needed for the completion of the SR-86/Avenue 50 New Interchange Project. In order to obtain prejudgment possession of the property it is acquiring, the City must deposit the appraised value to continue the court proceedings in the amount of \$1,845,000 with the State Treasurer's Office, Condemnation Deposits Fund, as a deposit for AHD Limited Partnership.

**FISCAL IMPACT:**

The requested funds represent a deposit toward the purchase of the real property that is subject to the resolution of necessity authorizing the filing of eminent domain proceedings APN 763-020-021. Should the proceedings not be completed, the funds would be returned to the City. The City also expects to be reimbursed under CalTrans grant funding once the construction phase of the project commences or to apply these funds toward the required City share of project costs. By adopting resolution 2021-37 Council will be appropriating deposit funds in the amount of \$1,845,000 from City development impact fee funds 127 and 122 depending on available cash balances with funds to be advanced from the City's General Fund to cover negative cash balances.

**ATTACHMENTS:**

1. Resolution 2021-37
2. City Legal Counsel Letter – Request for Condemnation Funds for Deposit