



STAFF REPORT
6/28/2023

TO: Honorable Mayor and City Council Members

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

SUBJECT: Resolution No. 2023-24 a Resolution of the City of Coachella City Council Authorizing 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).

STAFF RECOMMENDATION:

Authorize Resolution No. 2023-24, a Resolution of the City of Coachella City Council Authorizing 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).

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:

The project will widen the existing street and construct concrete curb and gutter within areas where none exists between Calhoun Street and Cesar Chavez Street. The finished project will complete the planned widening of Avenue 50 to two traffic lanes in each direction, and include pedestrian, bicycle and drainage facilities. These improvements require the acquisition of several properties along Avenue 50. In September 2022, the subject property was presented with a fair market appraisal of \$360,000. Seller prepared an independent 3rd party appraisal that resulted in an appraised cost of \$386,000 and counter offered at that price. Because the independent 3rd party appraisal is within 8% of the City initiated appraisal value it is recommended that the City accept the Owner appraised value and authorize the City Manager to complete the purchase and

acquisition of the property at the fair market appraised value of \$386,000 for a purchase price of \$391,603.00 including all escrow fees.

FISCAL IMPACT:

The property purchase for the Avenue 50 widening project has been budgeted and is 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 by Street and Transportation Development Impact Fees (Fund 127).

ATTACHMENTS:

1. Resolution No. 2023-24
2. City Residential Appraisal Letter
3. Owner Counter Appraisal Letter
4. Settlement Statement
5. Right of Way agreement