



CITY COUNCIL AGENDA REPORT

MEETING DATE: MARCH 20, 2007

ITEM NUMBER:

SUBJECT: AGREEMENT FOR RIGHT-OF-WAY ACQUISITION FOR THE NEWPORT BOULEVARD IMPROVEMENT PROJECT.

DATE: FEBRUARY 27, 2007

FROM: PUBLIC SERVICES DEPARTMENT - TRANSPORTATION SERVICES DIVISION

PRESENTATION BY: WILLIAM J. MORRIS, PUBLIC SERVICES DIRECTOR

FOR FURTHER INFORMATION CONTACT: PETER NAGHAVI, TRANSPORTATION SERVICES MANAGER, (714) 754-5182

RECOMMENDED ACTION:

Approve the purchase agreement and escrow instructions (Attachment 1) for a portion of property at 1696 Newport Boulevard (Attachment 2) owned by 17th & Newport LLC, and authorize the Mayor and City Clerk to sign.

BACKGROUND:

On June 21, 2005, City Council approved the Initial Study/Environmental Assessment (IS/EA) document for streetscape and roadway improvements to Newport Boulevard extending from 17th Street to 19th Street, and directed staff to proceed with final design and right-of-way acquisition work. The streetscape improvement plan was based on City Council Community Objective 98-B12 to develop pedestrian, streetscape and traffic flow improvements to Newport Boulevard. The project is now in final design stage, with construction tentatively scheduled for the fall of 2007. The scope of proposed improvements established by the IS/EA include:

- ❖ Aesthetic landscaping and streetscape enhancements including palms, planters, ornamental street lighting uniformly along the corridor.
- ❖ Upgrade pedestrian facilities, bus stop and handicap ramps in compliance with the Americans with Disabilities Act.
- ❖ Construct missing sidewalk on west side of Newport Boulevard north of 17th Street.
- ❖ Addition of a fourth northbound lane from 17th Street to north of 19th Street.
- ❖ Addition of a fourth southbound lane from the SR-55 freeway terminus to Broadway.
- ❖ Addition of a bus turn-out on the east side of Newport Boulevard north of 17th Street.
- ❖ Addition of a southbound right-turn lane at 17th Street.

ANALYSIS:

In August of 2005, the City awarded a contract to Overland, Pacific & Cutler Inc., to initiate right-of-way acquisition and appraisal work for two frontage strips of property along Newport Boulevard at the northeast and northwest corners of 17th Street to accommodate the proposed roadway improvements. Comparable property acquisition costs within Orange County were assessed to establish fair market and “cost-to-cure” values and purchase offers were presented to each property owner meeting the Uniform Standards of Professional Appraisal Practice.

The final settlement offer was established at \$26,500 for the portion of property located at 1696 Newport Boulevard (the Starbucks/Eye Styles commercial center) owned by 17th & Newport LLC Ownership. The attached Agreement for Acquisition of Real Property and Joint Escrow Instructions (Attachment 1) has been duly executed by the owner and legal counsel. This agreement is presented for Council’s approval in order to finalize title transfer to the City.

Negotiations are continuing for one additional parcel of right-of-way in order to construct the project. This parcel is a small frontage strip of property located at the northwest corner of Newport Boulevard at 17th Street.

ALTERNATIVES CONSIDERED:

The City Council may select to not execute the purchase agreement. This action would preclude the ability to proceed with the improvement project and result in the loss of the Orange County Transportation Authority (OCTA) allocated grant funding.

FISCAL REVIEW:

Funding for the right-of-way phase of the Newport Boulevard Improvement project is included in the FY 04-05 Capital Improvement Program (CIP) budget. The total cost of design, right-of-way and construction for this project is estimated at \$7,025,000. The project to date has cumulatively received awards of \$5,640,290 through the various County (OCTA Measure M) and Federal (Regional Surface Transportation Program (RSTP) grant sources. The remaining funding has been allocated by the City from Trip Fee and Air Quality Management District (AQMD) funds. Project construction is currently programmed in the FY 06-07 CIP budget.

LEGAL REVIEW:

The City Attorney’s office has reviewed and approved the agreement and escrow instructions as to form and content.

CONCLUSION:

The City has successfully negotiated a purchase price of \$26,500 for a portion of property located at the northeast corner of Newport Boulevard at 17th Street for necessary right-of-way to construct the Newport Boulevard Improvement Project. In order to initiate escrow and secure access rights to a portion of the property, it is recommended that the Council approve the Purchase Agreement between the City and the property owner and authorize the Mayor and City Clerk to sign.

PETER NAGHAVI
Transportation Services Manager

WILLIAM J. MORRIS
Director of Public Services

KIMBERLY HALL BARLOW
City Attorney

MARC PUCKETT
Finance Director

- Attachment: 1. [Agreement for Acquisition of Real Property & Joint Escrow Instructions](#)
 2. [Location Map](#)

- Distribution: City Manager
 City Attorney
 City Clerk
 Deputy City Mgr. - Dev. Services
 Director of Public Services