

CITY OF YUBA CITY  
STAFF REPORT

**Date:** January 21, 2020  
**To:** Honorable Mayor & Members of the City Council  
**From:** Public Works Department  
**Presentation by:** Diana Langley, Public Works Director

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**Summary**

**Subject:** Housing Successor Agency Sale of 829 Bridge Street to the City of Yuba City

**Recommendation:** A. Authorize the City Manager, on behalf of the Housing Successor Agency, to execute a Grant Deed and necessary documents to sell Real Property located at 829 Bridge Street (APN 52-413-007) in the amount of \$200,000 to the City of Yuba City.

B. Authorize the City Manager, on behalf of the City of Yuba City, to purchase the Real Property located at 829 Bridge Street (APN 52-413-007) in the amount of \$200,000.

C. Authorize the Finance Director to place sale proceeds in the Successor Agency Low and Moderate Income Housing Asset Fund.

**Fiscal Impact:** \$240,000 – Account No. 931187 (Bridge Street Widening)  
 \$200,000 – Property Acquisition  
 \$40,000 – Demolition

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**Purpose:**

Acquire property that is in the future right-of-way for the widening of Bridge Street to four lanes between Highway 99 east to the 5<sup>th</sup> Street Bridge.

**Background:**

The Redevelopment Agency of the City of Yuba City purchased 829 Bridge Street in 2009 using Low and Moderate Income Housing Funds. The property has been managed by the Housing Authority as part of the Homes2Families program, which provides housing for low-to-moderate income families. The Redevelopment Agency was dissolved effective February 1, 2012, and the City elected to retain all the housing assets and functions previously performed by the Redevelopment Agency and act as the Housing Successor Agency to the Redevelopment Agency under the Dissolution Law.

**Analysis:**

The home has been vacated and the City is interested in purchasing the property from the Housing Successor Agency for the future widening of Bridge Street to four lanes. Since the property was originally purchased with Low and Moderate Income Housing Funds as part of the Homes2Families program and is a housing asset currently owned by the Housing Successor Agency, the City is required to purchase the property as the proposed use is for roadway purposes and not low and moderate income housing. The property was recently appraised at a current market value of

\$200,000. The property was originally purchased for \$140,000 and approximately \$46,000 has been spent since that time for repairs.

The Housing Successor Agency is required to place the sale proceeds in a separate Low and Moderate Income Housing Asset Fund, and use those funds for affordable housing purposes in accordance with the law. The Housing Successor Agency intends to continue to partner with the Housing Authority in the future to purchase blighted properties to be used for housing.

Once the title is transferred to the City, staff will coordinate to have the building demolished. In addition to the sale price of \$200,000, staff is estimating an additional \$40,000 will be required for any asbestos and lead remediation, final demolition and clean up, plus contingency for any unforeseen circumstances.

**Fiscal Impact:**

The estimated total price to purchase the property and demolish the existing home is \$240,000. Through the FY 2019/20 Capital Improvement Program, Road Developer Impact Fee funds have been budgeted in Account No. 931187 (Bridge Street Widening).

**Alternatives:**

Do not approve the purchase of 829 Bridge Street by the City. Acquisition of right-of-way is required for the Bridge Street Widening Project. Failure to acquire the right-of-way will require the redesign of the project to fit four travel lanes within the existing right-of-way.

**Recommendation:**

- A. Authorize the City Manager on behalf of the Housing Successor Agency to execute a Grant Deed and necessary documents to sell Real Property located at 829 Bridge Street (APN 52-413-007) in the amount of \$200,000 to the City of Yuba City.
- B. Authorize the City Manager on behalf of the City of Yuba City to purchase the Real Property located at 829 Bridge Street (APN 52-413-007) in the amount of \$200,000.
- C. Authorize the Finance Director to transfer sale proceeds to the Successor Agency Low and Moderate Income Housing Asset Fund.

**Attachment:**

- 1. Location Exhibit

**Prepared by:**

*/s/ Diana Langley*  
Diana Langley  
Public Works Director

**Submitted by:**

*/s/ Michael Rock*  
Michael Rock  
City Manager

**Reviewed by:**

Finance

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## ATTACHMENT 1

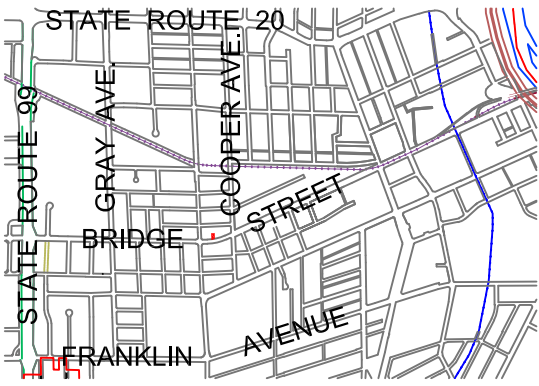


EXHIBIT  
829 BRIDGE STREET

