

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Patrick Thomas, Director of Public Works/City Engineer

DATE: November 23, 2021

SUBJECT: Approve Purchase and Sale Agreement for the Partial Acquisition and Loss of Lease Rent for Billboard on Assessor's Parcel Numbers 910-060-004, 910-060-008 and 910-060-014 in Connection with I-15/French Valley Parkway Improvements – Phase II, PW16-01

PREPARED BY: Amer Attar, Engineering Manager
Kendra Hannah-Meistrell, Senior Civil Engineer

RECOMMENDATION: That the City Council take the following actions:

1. Adopt a resolution entitled:

RESOLUTION NO. 2021-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA APPROVING THAT CERTAIN PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS BETWEEN THE CITY OF TEMECULA AND EVAN TISS AND DAVID TISS, SUCCESSOR CO-TRUSTEES IN CONNECTION WITH THE I-15/FRENCH VALLEY PARKWAY IMPROVEMENTS - PHASE II (PORTIONS OF APNS 910-060-004, 910-060-008, & 910-060-014)

2. Authorize the City Manager to approve and execute all necessary documents, including those in substantially the form attached to the Agenda Report, and take all necessary actions to effectuate the purchase of the approximate 1,226 square foot partial fee acquisition and the loss of lease rent for the billboard on the real property located at 26101 Jackson Avenue, Murrieta (portions of Assessor's Parcel Numbers 910-060-004, 910-060-008 and 910-060-014).

BACKGROUND: The City of Temecula (City), in cooperation with the California Department of Transportation (Caltrans), seeks to construct the I-15/French Valley Parkway

Improvements - Phase II (Phase II) to improve traffic congestion and improve operational efficiency within the limits of the I-15/French Valley Parkway Improvements Project. As part of Phase II, the City proposes to construct a two-lane northbound collector/distributor system along I-15 from the Winchester Road/I-15 interchange northerly on-ramps to just north of the I-15/I-215 junction with connectors to I-15 and I-215. The Phase II project requires the acquisition of privately-owned lands to accommodate the proposed public improvements.

On May 28, 2019, the City Council adopted Resolution No. 19-30 approving a Cooperative Agreement, Agreement 08-1667, with Caltrans for the design of Phase II. Pursuant to Agreement 08-1667, City is the implementing agency for right of way and is responsible for acquisition of the property interests needed for Phase II.

Phase II requires the acquisition of an approximate 1,226 square foot portion of that certain real property located at 26101 Jackson Avenue, Murrieta, and identified as Riverside County Tax Assessor's Parcel Numbers 910-060-004, 910-060-008, and 910-060-014 for public use, namely public street and highway purposes, retention wall construction, drainage, public utilities, and all uses necessary or convenient thereto in connection with the City's proposed construction of Phase II. Evan Tiss and David Tiss, Successor Co-Trustees are the record owners of said real property. A billboard structure is located on the property line of the parcel identified as APN 910-060-004 and will be affected by the construction of Phase II. The owners of the parcel receive income from the billboard's south advertising side based on a ground lease which provides rent.

Pursuant to Government Code Section 7267.2, on August 10, 2021, the City Council set just compensation for the approximate 1,226 square foot acquisition and the loss of lease rent for the affected billboard (collectively "Subject Property Interests") at the fair market value as determined by the City's independent appraiser based on an October 7, 2020 date of value. The City Council also authorized the Director of Public Works/City Engineer to make offers and negotiate the acquisition of the Subject Property Interests.

On October 11, 2021, the City hand-delivered a written offer to Evan Tiss to purchase the Subject Property Interests at the fair market value established by the City's independent appraiser.

The owners have accepted the City's offer. The Purchase and Sale Agreement describes the details of the acquisition of the Subject Property Interests. The total purchase price for the Subject Property Interests is the fair market value of \$614,000.

The environmental effects of the acquisition of the Subject Property Interests were studied as an integral part of the Mitigated Negative Declaration approved for the I-15/French Valley Parkway Improvements Project. The findings made by the City Council at its meeting on February 23, 2010 in approving the Mitigated Negative Declaration are the appropriate findings for the acquisition of the Subject Property Interests. A re-validation of the Mitigated Negative Declaration was approved on July 9, 2021. In connection with the attached Agreement, City staff reviewed all of the environmental documentation prepared in connection with the Phase II project, including, but

not limited to, the re-validation of the Mitigated Negative Declaration, the Mitigated Negative Declaration, the initial environmental study, the mitigation monitoring program and agenda report related to the approval of the Mitigated Negative Declaration. Pursuant to the criteria of Section 15162 of the CEQA Guidelines and Section 21166 of the Public Resources Code, City staff concluded that no substantial changes have occurred in the Phase II project and that the City has obtained no new information of substantial importance that would require further environmental analysis. These environmental findings are the appropriate findings with respect to the proposed acquisition of the Subject Property Interests.

FISCAL IMPACT: The I-15/French Valley Parkway Improvements – Phase II project is identified in the City’s Capital Improvement Program (CIP) Budget for Fiscal Years 2022-26. The project is funded with Measure S, TUMF (WRCOG), TUMF (CETAP/RCTC), SAFETEA-LU, STIP, and INFRA Grant. The City will pay \$614,000 for the City’s purchase of the partial fee acquisition and the loss of lease rent for the billboard plus any escrow-related costs, which are not expected to exceed \$10,000. Sufficient funds are available in the Project accounts.

- ATTACHMENTS:**
1. Resolution
 2. Purchase and Sale Agreement with Exhibits
Exhibit “A” – Legal Description of Subject Fee Property (Caltrans Parcel 24625-1)
Exhibit “B” – Depiction of Subject Fee Property (Caltrans Parcel 24625-1)
Exhibit “B-1” – Rough Depiction of Subject Billboard Impacted by Phase II
Exhibit “C” – Form of Grant Deed
 3. Project Description
 4. Project Location