



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

**SUBJECT: OAKLAND ROAD WIDENING
LAND PURCHASE – STEUER
AND SHELTON**

DATE: 01-19-05

Approved

Date

1/25/05

Council District: 4

RECOMMENDATION

It is recommended that the City Council approve Purchase and Sale Agreements and authorize the Director of Public Works to execute any additional documents necessary to complete these transactions with:

- (a) William E. Shelton and Betty A. Shelton, in the amount of \$220,737 for: (a) fee title to a portion of 1996 Oakland Road (APN: 244-22-015); and (b) twelve-month temporary construction easement on an adjoining portion of the property, in the area of the proposed Oakland Road street widening project; and,
- (b) Jay M. Steuer and Linda L. Steuer, in the amount of \$172,147 for: (a) fee title to a portion of 2050 and 2114 Oakland Road (APN: 244-22-019 & 020); (b) twelve-month temporary construction easement on an adjoining portion of the property; and (c) payment for reconnecting to the sanitary sewer, in the area of the proposed Oakland Road street widening project.

CEQA: Negative Declaration, PP03-06-209.

BACKGROUND

The objective of the Oakland Road Project is to provide sufficient traffic capacity in the corridor to serve existing and planned uses that are consistent with the Land Use/Transportation Diagram of the adopted San José 2020 General Plan. Oakland Road is designated as a “Major Arterial Roadway” in the General Plan, defined as a roadway having three traffic lanes in each direction. The existing roadway varies from two to four lanes between Hedding Street and Montague Expressway.

This project will complete the widening of Oakland Road to six lanes and requires frontage from eleven parcels under eight ownerships, from Montague Expressway south to Commercial Street (approximately 3.5 miles) (see map attached as Exhibit A). The project will remove bottlenecks, improve traffic flow and service levels, and increase capacity on one of the City's major commute corridors. These properties are located within the segment of Oakland Road between Brokaw Road and Montague Expressway. The Steuer property and the Shelton property constitute three of the eleven parcels needed for this project. Council previously approved the purchase of five parcels, one of which is being acquired through the eminent domain process. Staff continues to negotiate with the remaining owners. Negotiations were prolonged due to unexpected circumstances such as catastrophic illnesses. The negotiations for the acquisition of these properties were delayed due to unexpected challenges such as owners' catastrophic illnesses and differing valuation opinions, which were ultimately resolved. The project is scheduled for contract award in March 2005 with start of construction to begin in late spring 2005.

ANALYSIS

a. Steuer Property

The Steuer property is located at 2050 and 2114 Oakland Road (APN: 244-22-019 & 020). The subject property consists of approximate 2.09-acre (91,057 square foot) parcel. The site has an "L" shape with approximately 121 feet of frontage on Oakland Road. The parcel is level at street grade with no curbs, gutters, or sidewalks in place. The site is currently improved with multiple industrial buildings containing a total of 22,400 square feet of building area. A small parking area and a moderate amount of landscaping are located in front of the buildings, adjacent to the existing street frontage. The existing building improvements are not directly impacted by the proposed acquisition. As part of the Oakland Road Project, the City requires acquisition in fee of a portion of the site and an adjacent temporary construction easement (TCE). The proposed fee acquisition area will consist of 3,835 square feet of land located along the western edge of the larger parcel. This strip of land extends along the existing street frontage and varies in width from 30 to 32 feet.

Existing improvements in the proposed fee acquisition area consist of landscaping, concrete paving and a six-foot high chain link fence with privacy slats and barbered wire coils. In addition to the fee acquisition the City is acquiring a Temporary Construction Easement (TCE). The TCE area consists of a five-foot wide strip of land containing a total of 610 square feet of land. The duration of this TCE will be for a period of approximately 12 months during the construction period. The TCE will then expire and the easement will revert to the underlying fee title-holder. Additionally, the site contains a septic system serving the property that will be impacted by the project. Therefore, it becomes necessary to connect the Steuer property into the City's sewer system. The property owner and the City have agreed on the cost of the sewer conversion.

On February 23, 2004, City staff presented the owner of the property an offer of \$172,147. The offer was based upon the full-appraised value of the property and the TCE.

b. Shelton Property

The Shelton property is located at 1996 Oakland Road (APN: 244-22-015). The subject property consists of an approximate 2.04-acre (88,862 square feet) parcel. The property has approximately 218 feet of frontage on Oakland Road. The parcel is level at street grade with no curbs, gutters or sidewalks in place. The subject site is predominantly vacant and is improved with metal industrial buildings containing approximately 3,000 square feet. The warehouse portion of these buildings includes truck drive through capacity. A small parking area is located adjacent to the existing frontage. The remainder of the site is used as a storage yard and is surrounded by chain link fencing. The existing building improvements are not directly impacted by the proposed acquisition.

As part of the Oakland Road Project, the City requires acquisition of a portion of the subject site. The proposed fee acquisition area will consist of 5,929 square feet of land located along the western perimeter of the subject property. This is a strip of land extending along the existing street frontage, which ranges in width from 23 to 26 feet. Existing improvements in the proposed fee acquisition area consist of asphalt paving only.

In addition to the fee acquisition, the City is acquiring a Temporary Construction Easement (TCE). The TCE area consists of a five-foot wide strip of land containing a total of 1,222 square feet of land. The duration of this TCE will be for a period of approximately 12 months during the construction period. The TCE will then expire and the easement will revert to the underlying fee title-holder.

On February 23, 2004, City staff presented the owner of the property an offer of \$220,737. The offer was based upon the full-appraised value of the property.

A map showing the subject properties is attached as Exhibit A.

PUBLIC OUTREACH

Staff conducted a community meeting on October 2, 2003 to introduce the project to the public and received positive feedback. In addition, staff met with each of the property owners several times to explain the project.

COORDINATION

This memorandum and agreement have been coordinated with the Department of Transportation, the Department of Planning, Building and Code Enforcement, the City Manager's Budget Office and City Attorney's Office.

COST IMPLICATIONS

(a) The amount of \$220,737 is specified in the Shelton purchase agreement. In addition, there will be escrow and closing costs estimated at \$4,500. The total cost is anticipated to be approximately \$225,237.

(b) The amount of \$172,147 is specified in the Steuer purchase agreement. In addition there will be escrow and closing costs estimated at \$3,500. The total cost is anticipated to be approximately \$175,647.

Cost implications associated with the Oakland Road Widening project will be discussed in future Council memoranda concerning those improvements.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. For Contract	2004-2005 Adopted Budget (Page)	Last Budget Action (Date, Ord. No.)
429	6339	Oakland Road: Route 101 to Montague	5,103,000	\$392,884	Capital V-103	10/12/04, Ord. No. 27267

CEQA

Negative Declaration, PP03-06-209.



KATY ALLEN

Director, Public Works Department

**OAKLAND ROAD WIDENING PROJECT
(COMMERCIAL STREET TO MONTAGUE EXPRESSWAY)**

LAND ACQUISITION MAP

ITEM NO.	PROPERTY /APN	PROPERTY ADDRESS
①	244-22-020	2114 OAKLAND RD
②	244-22-019	2050 OAKLAND RD
③	244-22-015	1996 OAKLAND RD

