

**CITY OF ALBANY  
CITY COUNCIL AGENDA  
STAFF REPORT**

Agenda Date: 1/17/2011

Reviewed by: BP

**SUBJECT: Resolution 2011-7: A Resolution of the City Council of the City of Albany authorizing execution of a purchase and sale agreement with the California Department of Transportation, for City Acquisition of a 4.5 acre vacant parcel adjacent to Cleveland Avenue and Pierce Street.**

**REPORT BY: Judy Lieberman, Assistant City Manager**

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**STAFF RECOMMENDATION**

1. Adopt Resolution 2011-7 to Execute a Purchase Agreement with the California Department of Transportation (CalTrans) for the acquisition of the Pierce Street Parcel in the amount of up to \$1,950,000.
2. Authorize the City Manager to enter into such contracts as may be necessary to complete the city's due diligence on the acquisition
3. Authorize the City Manager to enter into a lease agreement for a contiguous parcel located beneath the freeway to be used for storage and reserve vehicle parking.

**BACKGROUND**

The City's ongoing negotiations with CalTrans regarding the acquisition of the Pierce Street Parcel have resulted in a proposed Purchase Agreement between the City and CalTrans with a cost of \$1,950,000. The City is also currently negotiating an airspace lease for the contiguous parcel beneath the freeway on Cleveland Avenue, to be used for storage and parking of reserve vehicles.

The acquisition of the Pierce Street parcel as a location for the city's maintenance center, an adjoining neighborhood park, a bicycle trail connection between the Bay Trail and the Ohlone Greenway, and other potential uses, has been identified in the Five Year Implementation Plan for the City of Albany Reinvestment Agency (adopted November 2010) and is crucial to economic development in the City.

**Due Diligence Activities**

The City has completed both a Phase 1 and Phase 2 Environmental Assessment (Ninyo and Moore) of the parcel. The findings of the Assessment include a recommendation for a Soils Management Plan during construction, but did not find significant contamination that would preclude development of the parcel for the intended uses. North American Title is preparing the title documentation and this will be provided February 4, 2011. The CEQA Categorical Exemption for the acquisition has been prepared by Morgan, Miller, Blair. A preliminary look at design parameters is being prepared by LSA Associates.

## **SUSTAINABILITY AND ECONOMIC IMPACT**

The purchase of the parcel is part of an overall strategy, as laid out in the Five Year Implementation Plan, to enable commercial development to occur in the Cleveland Avenue redevelopment area. The acquisition of the now vacant Pierce Street parcel is critical to moving the City's maintenance center off of Cleveland Avenue to allow for commercial development to occur. The development of the maintenance center and the creation of the neighborhood park and the trail connection on the Pierce Street parcel will provide infrastructure improvements for an area that is currently blighted and is not very viable for other uses. The partial use of the parcel as a neighborhood park and trail will provide needed open space and recreational facilities for a very densely populated portion of the City.

## **FINANCIAL IMPACT**

Under a Public Improvements Grant and Cooperation Agreement, Albany Community Reinvestment Agency funds will be used to acquire and develop the property, along with associated Reinvestment District improvements.

### **Attachments**

1. Resolution 2011-07
2. Purchase Agreement
3. Map: Legal Description
4. Legal Description
5. Map: Cleveland/Pierce Street Use Areas