


11/17/2020

item 5




City Council

Action on a Resolution of Necessity to Acquire Certain Real Property Interests on 925 Walsh Ave

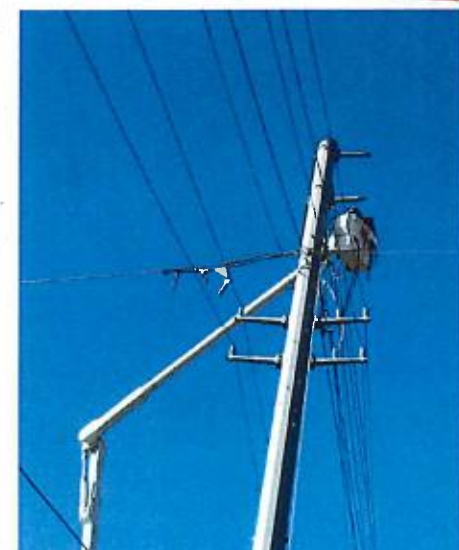
November 17, 2020

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South Loop Project

- Scope: Install 82 new steel poles and approx. 2.4 Miles of new 60kV transmission line.
- Council Actions
 - June 16, 2015 - Adopted the FY 2015/16 Capital Improvement Program (CIP)
 - July 12, 2016 - Approved a professional services agreement with Electrical Consultants, Inc. to provide engineering
 - January 14, 2020 - Amended a service agreement to perform appraisal services
 - July 7, 2020 - Adopted the Negative Declaration and Mitigation, Monitoring and Reporting Program and increased the capital funding
- Budget: approx. \$25 M estimated
- Schedule: Construction start in 2021
- Status: Easement acquisition



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POST MEETING MATERIAL



Benefits

- Increases Reliability and Capacity
 - Shifts load to underutilized East Loop
 - New lines have conductors with higher power delivery capability
 - Replaces aging Infrastructure
 - Resolves low voltage issues on South Loop
 - Increases capacity of Center Loop by reconductoring Fiberglass-Walsh 60kV line Section.
 - Provides capacity for existing and future substations to grow load
 - Provides permanent line extension for Parker Substation



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Easement Acquisition

- Permanent Easements and Temporary Construction Easements
- Need easements for 37 properties
- 15 Successful Negotiations
 - 3 agreements on October 13
 - 2 agreements on November 10
 - 4 agreements on November 17
 - 6 agreements to Council on December 15



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Steps for Acquisition

- Send letter to property owner that City will appraise value ✓
- Complete Fair Market Value (FMV) appraisal ✓
- Send initial offer of just compensation to property owner ✓
 - Allows for property owner to be reimbursed up to \$5,000 for second appraisal ✓
- Negotiate with Property Owner (months) ✓
- Property Owner/City negotiated agreements to Council ✓
- No agreement- Council consideration for Resolution of Necessity
- **Continue to Negotiate with Property Owner**
- Eminent Domain process will take up to approximately 24 months
- City has rights to build project after receiving Order of Possession (7-8 months)

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925 Walsh (2 parcels)



- Initial Offer sent 5/20/20
- Almost 6 months of ongoing negotiation
- Powerline Easement - 41,137 SF
- Temporary Construction Easement – 2,715 SF

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Resolution of Necessity Findings

- The public interest and necessity require the Project.
 - The Project is critical to maintain reliability of the power system in Santa Clara and necessary for future development in the area.
- The Project is planned or located in the manner that will be the most compatible with the greatest public good and the least private injury.
 - Staff considered multiple alternatives as part of the project
- The property sought to be acquired is necessary for the Project
 - The property at 925 Walsh Avenue is necessary to achieve the technical needs of the Project.
- The offer required by Section 7267.2 of the Government Code has been made to the owner of record for the full amount established as the fair market value of the property.
 - On May 20, 2020, the City made an offer to PSB Northern California Industrial Portfolio LLC, to acquire the Easement in accordance with the above referenced Government Code.


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Recommended Action

Alternative 1: Adopt a Resolution of Necessity to acquire Certain Real Property Interests on 925 Walsh Avenue, Santa Clara, California, from PSB Northern California Industrial Portfolio LLC

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The seal of the City of Santa Clara, California, is circular. It features a central illustration of a mission-style building with a red roof and a bell tower, set against a blue sky with clouds and a green field. The year "1852" is inscribed below the building. The outer ring of the seal contains the text "CITY OF SANTA CLARA CALIFORNIA" at the top and "THE MISSION CITY" at the bottom.

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