



City Council Report

Date: January 7, 2019
To: City Council
Through: Kari Kent, Assistant City Manager
From: Beth Huning, City Engineer
Rob Kidder, Assistant City Engineer
Subject: Southern Avenue and Stapley Drive Intersection Improvement Project
Council District #4

Purpose and Recommendation

The purpose of this report is to consider a staff recommendation to authorize staff to acquire certain parcels of land and land rights necessary for the Southern Avenue and Stapley Drive Intersection Improvement Project. Currently, staff continues to meet and negotiate with the property owners. However, to avoid construction delays, staff is requesting authorization to acquire certain parcels through eminent domain if necessary. Staff intends to continue to meet and negotiate with the property owners with the intent of reaching a settlement. Our goal is to acquire the properties through negotiations with the property owners.

Background

The Southern Avenue and Stapley Intersection Improvement Project is a Federally Funded Project. This project will provide three (3) through lanes on southbound Stapley Drive, south of Southern Avenue, and add a dedicated right turn lane on eastbound Southern Avenue. Other improvements include new pavement on Southern Avenue from Horne to Harris and Stapley Drive from Harmony to Emerald, new raised medians, curb, gutter, sidewalks, new streetlights, bicycle lanes, traffic signals, SRP aesthetic improvements and new water and gas improvements.

Engineering will be using the hard bid process and construction is expected to begin early 2020.

Discussion

There are 57 parcels (51 owners) in which certain parcels, rights-of-way and easements are needed for this project. Real Estate Services began appraising the properties in September of 2018 and Review Appraisals in November 2018. Written offers were

made to each of the owners in December 2018. The City will offer Fair Market Value for the needed right-of-way and/or easements as established by the appraisal. Most of the land needed for this project is additional right-of-way and easements required to accommodate road widening, and utility improvements.

The City is required by law to pay what is called “just compensation” for the land needed for this project. “Just compensation” includes the value of the land and any improvements being taken and damages equal to any diminishment in value of the remaining property resulting from the acquisition.

To avoid construction delays, Staff seeks Council approval to start the court proceedings on those parcels where the City and Property owners have not yet reached an agreement. Staff will continue to work with the individual property owners and attempt to reach an agreement on a compensation amount for each remaining land right. Filing the court actions is necessary because it will allow the City to seek the Order of Immediate Possession (OIP), so that the Project may proceed while the negotiations regarding compensation continue on a parallel course. These negotiations are often lengthy and are complicated by lender issues and/or title encumbrances. Obtaining an OIP is necessary to avoid costly construction delays.

There is overhead and underground electrical relocation as part of the Project. Salt River Project will not allow the construction to begin on those improvements until the necessary easements are acquired or the City has an (OIP) from the Court.

For the Gilbert Road Extension of Light Rail, there were ten (10) properties where eminent domain was used. We successfully settled all of them but three (3) properties using an administrative settlement and/or mediation with the owner/owner’s attorney. They did not require the use of jury trial.

There have been two (2) Public Meetings held in March 2011 and August 2018. Public Relations has discussed the raised median with property owners along Stapley and Southern Avenue.

Attached to this Council Report is Exhibit A, which shows the affected properties where staff has made an offer to the property owner and has not reached an agreement. It also includes a chart with the owner’s name, address, the type of property right(s) needed for this Project and the status of the acquisition.

Alternative

The project cannot begin as scheduled if the use of eminent domain is not authorized when necessary to obtain immediate possession.

Fiscal Impact

The recommendation does not have a fiscal impact on the overall cost of the project.

Concurrence

The Engineering and Transportation Departments concur with this recommendation.