

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 30-July 1, 2010

Reference No.: 2.4d.(2)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Tony Tavares
Chief
Division of Right of Way and
Land Surveys

Subject: **CONCEPTUAL APPROVAL OF A DIRECT SALE OF EXCESS LAND TO THE ADJACENT OWNER**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) provide conceptual approval of a proposed direct sale of a future excess land parcel in the city of San Jose, identified as Parcel No. 008180-01-01 (Property) to Pau-Brokaw, LLC, its assignees or successors in interest (Grantor).

ISSUE:

The Santa Clara Valley Transportation Authority (VTA) is sponsoring a transportation project currently estimated to cost \$95,000,000, using 75 percent of Corridor Mobility Improvement Account funds and 25 percent of VTA funds, for the construction of high occupancy vehicle lanes on Interstate (I) 880 between State Route (SR) 101 in the city of San Jose and SR 237 in the city of Milpitas. The proposed improvements to the northbound I-880 exit ramp to Brokaw Road will impact the Grantor's property. The Department and the VTA have determined that the most cost effective solution to mitigate the impacts to the Grantor is to exchange future excess property as partial compensation for the required rights of way from the Grantor. It is understood that the Department will receive fair market value for the exchanged Property.

BACKGROUND:

The Grantor owns an 18.01 acre parcel developed as a shopping center that is anchored by Lowes. The project, as currently designed, requires 1.37 acres of right of way in fee from the Grantor. When the construction is completed, excess property will exist consisting of approximately 0.50 acre that will be identified as Parcel No. 008180-01-01. The Department and the VTA propose to exchange this 0.50 acre parcel as partial compensation to the Grantor for the required 1.37 acres at its fair market value.

The Department and the VTA are in the process of finalizing the Cooperative Agreement (Agreement) for this project that will include language outlining the requirements for this exchange. This will include the fair market valuation of rights of way including the Property, that the sale of the Property is subject to Commission's approval, and that the funds from the direct sale of the Property are handled and deposited accordingly. It is anticipated that the Agreement will be executed by December 2010. The Department and the VTA acknowledge that negotiations for the exchange will not begin until the Agreement is executed. The Property will be conveyed to the Grantor following the construction contract acceptance either directly from the Department or through the VTA.

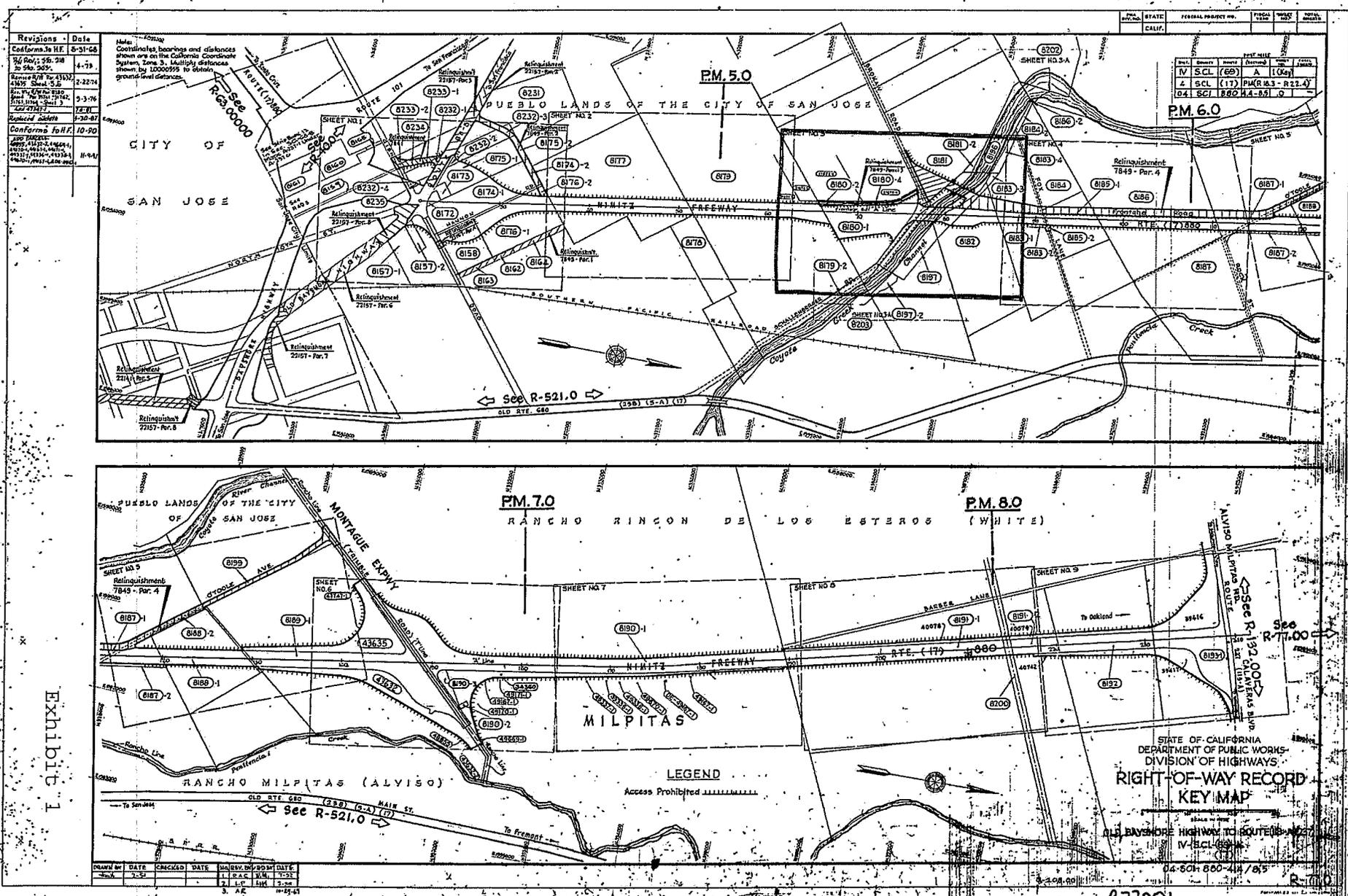
SUMMARY:

This proposed approval is in the best interest of the Department as it will receive fair market value for the excess parcel as well as minimize the overall project impact on the adjacent property and reduce the acquisition costs for the project.

Attachments

Exhibit 1 - Location Map

Exhibit 2 - Parcel Map



Revisions	Date
Conforms to H.F. 3-51-68	
1/2 Scale 3/26/68	4-79
2-22-74	
3-3-76	
11-11-77	
1-30-81	
Conforms to H.F. 10-20	

Sheet	Quantity	Sheet	Quantity
IV SCL (629)	A	1 (Key)	
Z SCL (17)	PM(R) 8.3 - R 2.0		
0.4 SCL	1882 H.4-B.1		

Drawn by	Date	Checked	Date	Approved by	Date
S.A.R.	11-15-61	J.P.S.	11-15-61	J.P.S.	11-15-61
				S.A.R.	11-15-61

STATE OF CALIFORNIA
DEPARTMENT OF PUBLIC WORKS
DIVISION OF HIGHWAYS
**RIGHT-OF-WAY RECORD
KEY MAP**

ALL BAYSHORE HIGHWAY TO ROUTE 177
IV SCL (629)

R77001

Exhibit 1

Exhibit 1

Exhibit 2

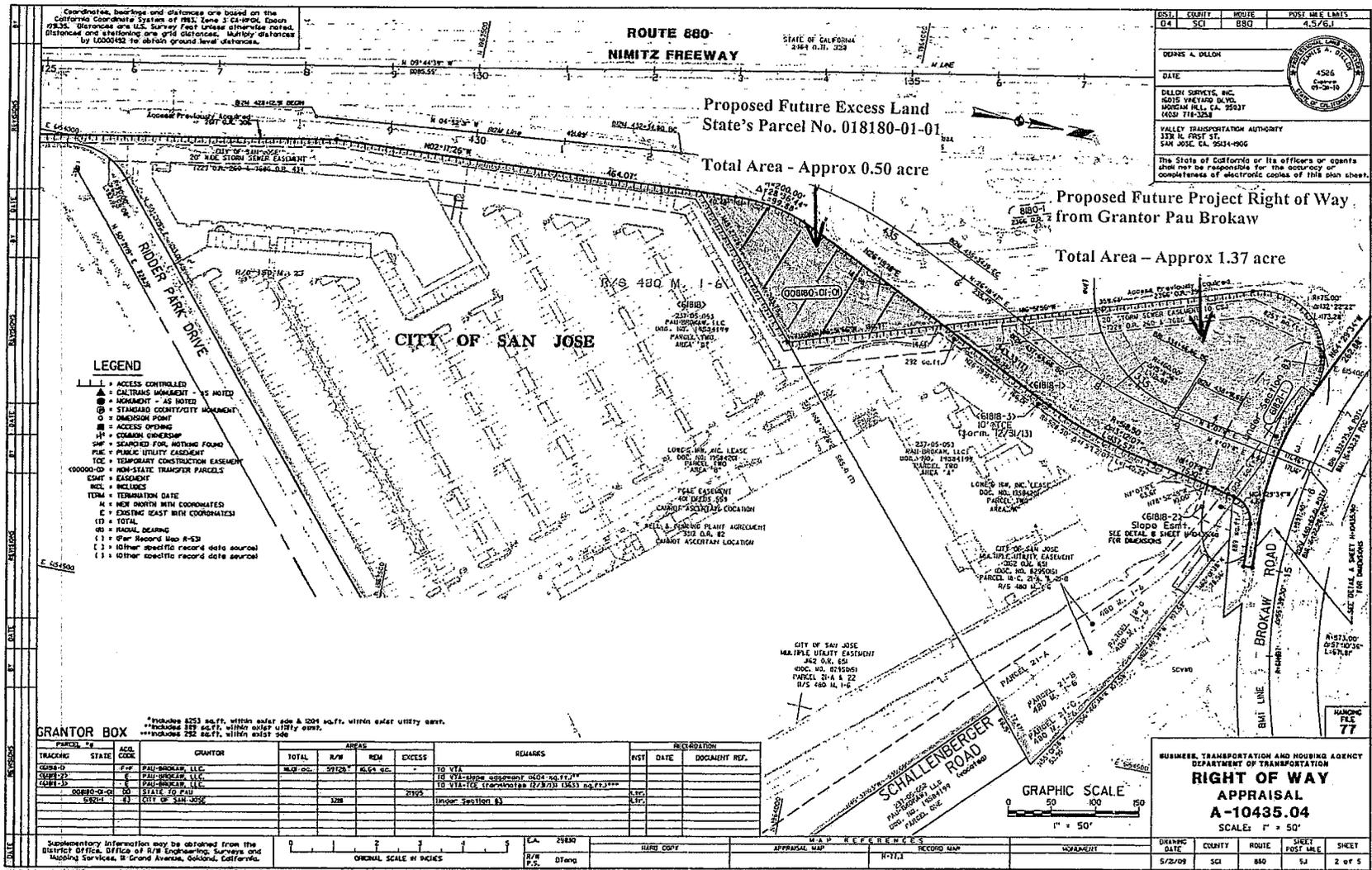


Exhibit 2