



Legislation Text

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A Resolution Authorizing the Use of a Possession and Use Agreement for the Property Owned by AMERCO Real Estate Company that is Needed for the Tejon Roundabout Project

Presenter:

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Summary:

The attached resolution authorizes staff to enter into a possession and use agreement with AMERCO Real Estate Company (also known as U-Haul Real Estate Company) (“AMERCO”) for property needed for the Tejon Roundabout Project. AMERCO is the owner of a .376 acre parcel of land at the intersection of South Tejon Street and Cascade Avenue (the “Property”). A parcel vicinity map is attached. This Property includes a commercial use building. The need for a portion of the Property was identified during the preliminary and final design process for the Tejon Roundabout Project and approved by the Colorado Department of Transportation (“CDOT”).

Previous Council Action:

On October 25, 2011, City Council approved Resolution No. 177-11 to accept a grant from the CDOT in the amount of \$1,579,239 that included Federal Highway Administration (“FHWA”) funds, for the purpose of providing funding for design, plans, and construction of the Tejon Roundabout Project.

Background:

The Tejon Roundabout Project (“Project”) will convert the traffic control at the existing signalized intersection of South Tejon Street, Cascade Avenue, Ramona Avenue, and Cheyenne Boulevard to a modern roundabout. The existing intersection includes five approaches to a single point. The intersection has a fully-developed urban context, including retail, office, entertainment and residential uses in the Ivywild neighborhood. Both Cheyenne Boulevard and South Tejon Street have bicycle lanes. There is a pinch point of these bicycle lanes at the intersection in all directions, which forces bicyclists to merge into the travel lanes at the intersection rather than being able to follow bicycle lanes through the intersection.

The angles of the existing approaches are difficult for motorists to negotiate. The angle of each approach creates poor sight distance, and exacerbates the difficulties of wayfinding signage and directional choice for drivers. As a result, the intersection creates considerable delay even in the absence of significant traffic volumes. A secondary consequence of the current intersection is that local drivers avoid the intersection and take “shortcuts” through nearby neighborhood streets, creating other local traffic conflicts and neighborhood concerns.

The roundabout solution at this signalized intersection will improve operations, reduce travel delay, reduce long-term maintenance costs with the removal of the traffic signal, and provide bicyclists and

pedestrians safer routes through all legs of the intersection. It will also improve traffic operations and enhance the sense of community in compliance with the Ivywild Neighborhood Master Plan and the historic character of the neighborhood.

The City of Colorado Springs received environmental clearance for the Project in November 2013. The City has negotiated purchase agreements with 4 of the 5 property owners from whom land acquisition is needed.

A portion of the Property owned by AMERCO was identified as necessary to implement the proposed roadway improvements. The portion is identified as three separate interests: 0.016 acres for Right of Way; 0.039 acres for Permanent Easements; and 0.003 acres for Temporary Easements. The interests would be used in the Project for the construction and maintenance of roadway widening, drainage improvements, utilities, and sidewalk.

Section 1.4 of the Real Estate Manual states that if a project receives federal funds, all laws, regulations and guidelines of the appropriate federal agency should be followed. The Project has received federal funding from FHWA.

Because this project is federally funded, the City must follow the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act (42 U.S.C. Chapter 61) (the "Uniform Act") and the federal regulations promulgated thereunder. The Uniform Act states that no owner shall be required to surrender possession of real property before the property owner is paid the agreed upon purchase price, or in the case of condemnation, the amount of the approved appraisal of the property is deposited with the court or the court award of compensation in the condemnation proceeding. CDOT has interpreted this to mean that we are required to transfer an amount equal to our CDOT-approved appraisal to the property owner in exchange for possession of the property.

Following federal, state and City acquisition laws, regulations and guidelines, the City obtained an independent appraisal of the property. A Compensation Value for the parcel of \$42,650.00 was established and approved by CDOT as the oversight agency for this federally-funded project. Applicable Colorado State laws and federal-aid project mandates were followed for this determination.

The City provided AMERCO with an offer to purchase the Property, but AMERCO did not respond directly to the offer. AMERCO made inquiries for additional information, and the City provided that information to AMERCO. The City has been unable to negotiate an amicable acquisition settlement for the Property with AMERCO.

Because this Project is federally-funded and under the oversight of CDOT, the City intends to use the CDOT Possession and Use Agreement form and the CDOT process of paying the property owner the appraised value in exchange for possession of the Property. Under the terms of the CDOT Possession and Use Agreement form, the property owner would agree that the amount tendered to the property owner in exchange for possession will be deducted from any final settlement amount, award or verdict, and in the event the final settlement amount, award or verdict is less than the amount tendered, the property owner would refund the difference to the City.

This project supports the City's strategic goal relating to investing in infrastructure. The completed project will improve traffic flow, rebuild the intersections pavement, curb and sidewalks and eliminate

the maintenance of a traffic signal.

Financial Implications:

The CDOT-approved appraisal purchase price for the Property, which is \$42,650.00, is available in the Project budget.

Board/Commission Recommendation:

N/A

Stakeholder Process:

Capital Projects Engineering staff and their consultant (CORE Engineering) have performed an extensive public involvement process for the Project. The Project team has conducted 2 public open house meetings. In addition, staff and their consultants continue to be engaged in their coordination efforts with key residential and commercial stakeholders along the Project. This effort has included a number of meetings with the Ivywild Improvement Society and individual meetings continue to take place. Capital Projects Engineering has done extensive coordination with the residential and commercial stakeholders over the last several years in order to arrive at a mutually acceptable plan for the Project.

Alternatives:

The City Council may approve, modify or deny approval of the attached resolution.

Proposed Motion:

Motion to Approve the Resolution Authorizing the Use of a Possession and Use Agreement for the Property Owned by AMERCO Real Estate Company Needed for the Tejon Roundabout Project

N/A