

Agenda Report

DATE: August 2, 1999

TO: PASADENA COMMUNITY DEVELOPMENT COMMISSION

FROM: CYNTHIA J. KURTZ, CHIEF EXECUTIVE OFFICER

SUBJECT: Restrictive Covenant for Fire Separation Areas on Community Development Commission Property Adjacent to 325 Cordova Street

RECOMMENDATION:

It is recommended that the Pasadena Community Development Commission ("Commission") approve the terms and conditions of, and authorize the Chief Executive Officer to execute, a restrictive covenant on Commission property, north of Cordova Street and west of Euclid Street, between the Pasadena Community Development Commission and SNK Realty.

BACKGROUND:

SNK Realty proposes to construct an apartment building at 325 Cordova Street adjacent to the Holiday Inn, which is situated on Commission property. The construction as proposed includes balconies on SNK land that require fire clearance set back areas on Commission land. The areas that are required are already fully encumbered with surface uses for ingress-egress and landscaping. As designed, five-foot areas on the west property line and three and one-half foot areas on the north property line are required which align with the balcony projections. The term of the restrictive covenant will coincide with the life of the proposed apartment structure.

An MAI appraiser conducted an appraisal of the value of the proposed restrictive covenant. Based on that appraisal, a nominal value of \$12,000 for the restrictive covenant is considered just and equitable after: a) consideration of the economic advantage gained by the benefiting property; b) the impacts of the restrictive covenant on the larger ownership considered in light of the encumbered Commission property; and c) the cost of all of the time, materials, benefits, over-head, and indirect expenses for those involved in researching, analyzing and processing of the requested covenant including the appraisal of the rights and legal services provided.

FISCAL IMPACT

Revenue received from providing the restrictive covenant in the amount of \$12,000 will be deposited into the Downtown Redevelopment Project Account No.682110.

Respectfully Submitted,



CYNTHIA J. KURTZ

Chief Executive Officer

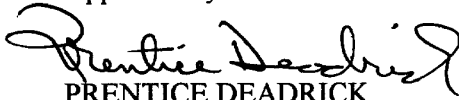
Prepared by:



MANUEL NEGRETE JR.

Real Property Manager

Approved by:



PRENTICE DEADRICK

Acting Assistant City Manager