



Eminent-domain action goes to Inland council

Plan calls for condos on 12 downtown lots

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By DOUG HABERMAN

The Press-Enterprise

RIVERSIDE - The city Redevelopment Agency is proposing to condemn 12 parcels on Market and Main streets downtown for a large condominium project by Los Angeles-based developer Mark Rubin.

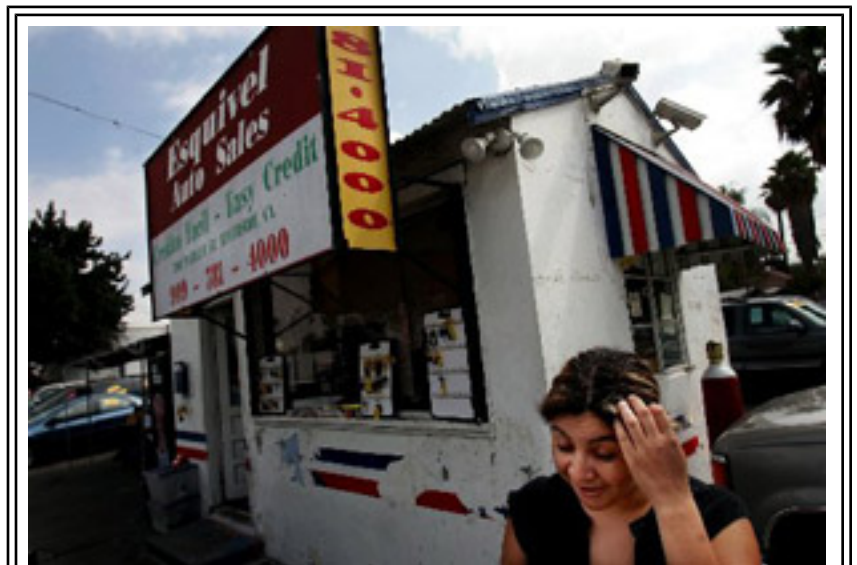
The proposal to force the property owners to sell their land if they can't agree on a price comes to the City Council, acting as the agency board, Tuesday afternoon.

The agency estimates the cost of buying the parcels, which total about 3.5 acres, at \$5.4 million. That makes it the costliest eminent-domain action for the benefit of a private developer in at least the past 20 years, Assistant City Manager Michael Beck said.

Three of the Market Street parcels house used-auto dealers. At least two of them are not happy about being forced out of their highly visible location.

"Everybody knows to come to this corner," said Brenda Esquivel, co-owner of Esquivel Auto Sales at Market and Second streets.

She pays \$1,000 a month to lease the land. Every other comparably sized site she has looked at would cost five or six times that much, she said.



Mark Zaleski / The Press-Enterprise

Brenda Esquivel says she's worried about how relocating will affect her business, Esquivel Auto Sales in Riverside. The land on Market Street costs \$1,000 a month to lease; comparable sites are five or six times that much, she says.

Esquivel said she is worried about relocating and how it will affect her business.

"I've been losing my hair," Esquivel said Friday.

Carol Martin and her husband, Darrel, were forced to sell land at First and Market streets to make way for an earlier Rubin project, the houses called Mission Village.

They ended up buying land directly across First Street where they sell used vehicles.

"Now, we're playing hardball," Carol Martin said. "We're not caving in to their threats."

The city has offered the Martins \$650,000 for their parcel, but Martin said she believes the value is almost twice that.

Frank Vahedi has run Market Paint & Body at Market and Third streets for 18 years. He knows he needs to move on, he said Friday.

"You cannot always be the fighter," Vahedi said.

While he has not found an affordable location to move to, Vahedi said he's hopeful he'll negotiate a fair deal with the agency.



Frank Vahedi, owner of Market Paint & Body, realizes he needs to move on. "You cannot always be the fighter," Vahedi says.

Rubin said he would buy any of the parcels for a reasonable price.

"If it's unreasonable, I can't," he said. "That's why there's eminent domain."

The used-car lots have been on Market Street long enough, Rubin said.

"I think I will be doing the city a huge favor" with his condominium project, he said.

Originally another development firm was going to put townhouses between First and Second streets but it couldn't find funding for the project, according to a report.

So the agency asked Rubin to build on both blocks.

He said he expects to build 251 luxury condominiums, ranging from 700 square feet to 1,500 square feet, at prices from less than \$200,000 to more than \$400,000.

Councilman Dom Betro, whose ward includes downtown, said the use of eminent domain for redevelopment projects is unfortunate but that it is about the neighborhood's future.

"Is the future of downtown used-car lots?" Betro said.

The property owners will get top dollar for their land, Betro said.

Tuesday's vote will be one of many the council has taken lately to use eminent domain for economic development.

In part, that is because voters statewide have an opportunity this November to end the practice by passing Prop. 90, which a recent Field Poll found has bipartisan support.

"I'm not going to deny that Prop. 90 is a factor," Betro said.

But, Betro said, he laid out goals for downtown growth more than two years ago, including 1,000 residential units, and is not willing to postpone his goals.

The Redevelopment Agency has been borrowing extensively from the city sewer fund to pay for eminent-domain acquisitions when the agency lacks the money.

The sewer fund has money accumulated for sewer projects that are not yet ready to be carried out and the loans are typically for just 120 days, officials said.

The agency is planning to sell bonds soon and will pay off the sewer fund loans with the proceeds, Chief Financial Officer Paul Sundeen said.

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