

Possible Sale of City Property and Development of Affordable Housing

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Background



Real Estate Review

- All City parcels
- Determine if any properties were suitable for development
- Further Council's goal of Affordable Housing

2989 E. Butler Avenue





Black Barts RV Park

Black Barts RV Park

E Butler Ave

2989 E. Butler Avenue

E Butler Ave

S Herold Ranch Rd

S Herold Ranch Rd



City Parcel-Off Butler Avenue

What is the plan for the parcel?

- Real Estate met with internal Staff
 - Engineering, Planning, Housing, Property and Development
 - Property to be used for future roundabout
 - Engineering determined that .74 acres of parcel could be sold or developed.

APN#106-04-009E
PEDRICK TRUST

APN#106-04-006B
SIERRA VISTA

APN#106-04-007C
SIERRA VISTA

APN#106-04-006C
FLASH & THE BOYS

APPROXIMATELY
.74 ACRES

APN#106-04-005B
LITTLE AMERICA HOTEL

BUTLER AVE

FUTURE REALIGNED
HEROLD RANCH ROAD

HEROLD RANCH RD





City Parcel-Off Butler Avenue

Opportunity?

- Adjacent property owner submitted plans for development
- 40 bungalow style homes
- Estimated sales price under \$300,000

Woodshire on Butler







City Parcel-Off Butler Avenue

Opportunity?

- Sell City parcel
 - Additional revenue
 - Affordable units(deed restricted) for the citizens of Flagstaff



Solicitation No. 2019-67



- Staff directed by prior Council to advertise property for bid.
- Property value determined by comparable sales at \$175,000.
- City minimum bid \$130,000 plus at least 5 affordable units.
- Minimum bid determined to provide an incentive to develop affordable units.
- Each additional affordable unit would reduce the minimum bid by \$10,000.
- Offer contingent on Council approval of Purchase Agreement, Development Agreement and Ordinance to transfer the property.



One Offer Received

Woodshire on Butler, LLC (developing adjacent property)

- \$130,000 plus 5 affordable housing units.
- Final terms and details of the sale and affordable housing obligations to be determined in the Purchase Agreement and Development Agreement.

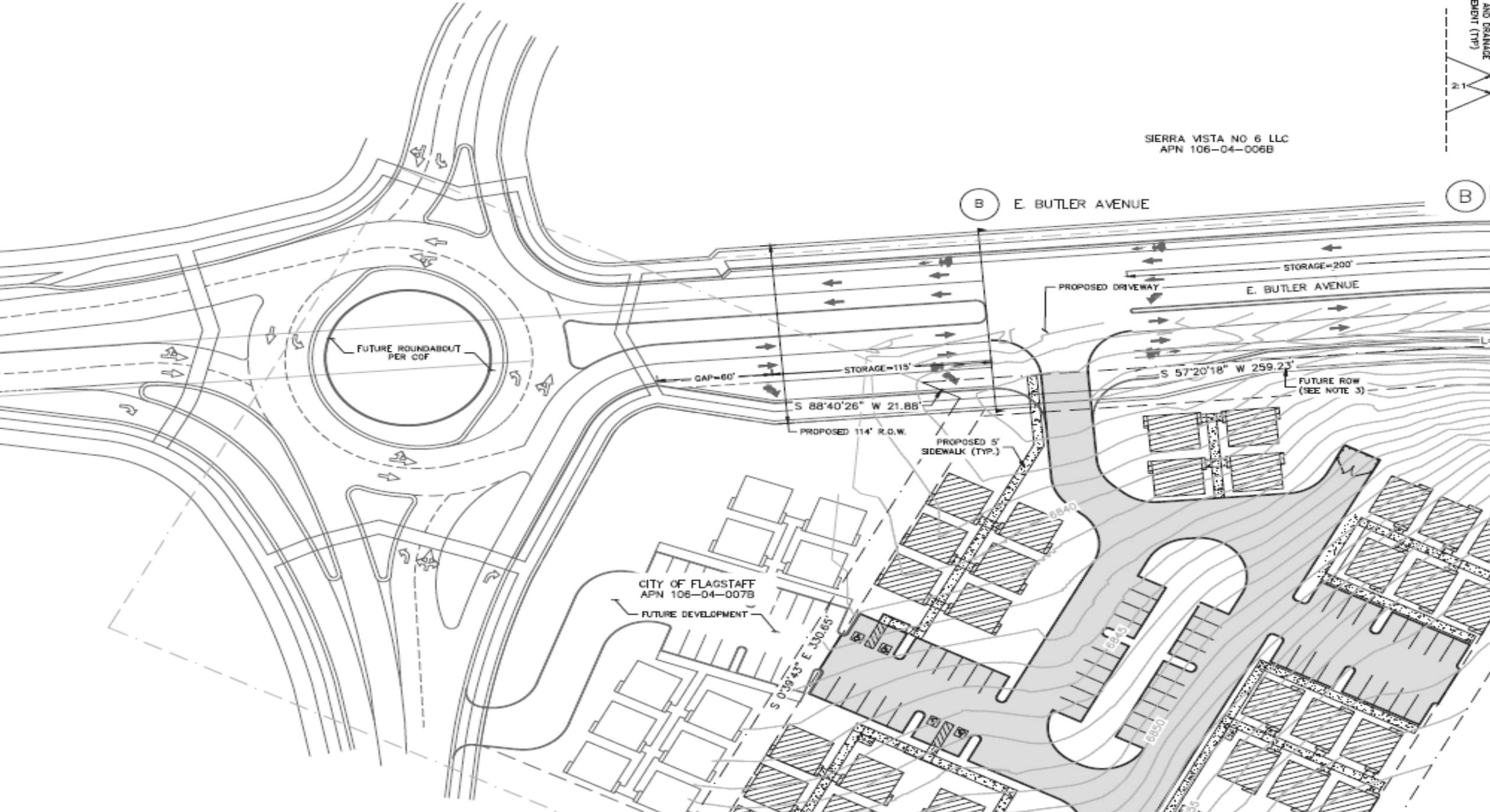
PROPOSED FULL-BUILD OUT OF E. BUTLER AVENUE

SLOPE AND DRAINAGE
ESENTMENT (TYP)
N

SIERRA VISTA NO 6 LLC
APN 106-04-006B

(B) E. BUTLER AVENUE

(B) E



FUTURE ROUNDABOUT
PER COF

GAP=60'

STORAGE=115'

S 88°40'26" W 21.88'

PROPOSED 114' R.O.W.

PROPOSED 5'
SIDEWALK (TYP.)

PROPOSED DRIVEWAY

STORAGE=200'

E. BUTLER AVENUE

S 57°20'18" W 259.23'

FUTURE ROW
(SEE NOTE 3)

CITY OF FLAGSTAFF
APN 106-04-007B

FUTURE DEVELOPMENT

S 0°39'43" E 130.85'

8840

8845

8850

8855



Council Options

1. Accept the offer without exceptions and authorize Staff to negotiate a Purchase Agreement and Development Agreement including affordable housing obligations.
2. Reject offer
3. Advertise the property for bid with no affordable housing obligations (market value based on appraisal).
4. Do not sell and wait for the roundabout to be constructed.



Next Steps



- If Council approves the offer, Staff will work to draft a Purchase Agreement and Development Agreement.
- The proposed Agreements and an Ordinance transferring the property will be presented in a future public council meeting for consideration and approval.



Questions?



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