

AGENDA ITEM #:
DATE: 07/12/2021
CAR #: 332



CITY COUNCIL ACTION REPORT

SUBJECT: WESTERN AVENUE

STAFF PRESENTER(S): Dan Cotterman, Deputy City Manager

SUMMARY:

Review of four proposed options for the four city-owned parcels located at the northeast corner of Western Avenue and Litchfield Road. Option one is to sell all properties as-is. Option two is to raze the buildings, create parking and add green space to improve the view from Litchfield Road. Option three is to raze the buildings and hold the land for future use. Lastly, option four is to hold as-is for future use.

Recommendation:

Authorize the creation of a \$1.9M CIP project for inclusion in the FY2023 budget, to pursue option two, which is to raze the buildings, create parking and add green space to the city owned properties located at the northeast corner of Western Avenue and Litchfield Road.

FISCAL IMPACT:

Recommended option two is to raze the buildings, create parking and add green space to buffer the view from Litchfield Road, and will take approximately 21 months with a cost of \$1.9M. Planned funding for this project will be added to the current CIP and be programmed into the FY2023 budget. The annual maintenance costs of this option would fall under the routine facilities operating budget.

BACKGROUND AND PREVIOUS ACTIONS:

The city owns four parcels at the northeast corner of Western Avenue and Litchfield Road. In May 2018, Council directed staff to move forward with the sale of the property south of this complex. The property sold in September 2018. Council reviewed the Western Avenue properties item in the Work Sessions of July 2017, December 2017, May 2018, and May 2019. The Council also reviewed this topic in the Regular Meetings of February 2019 and October 2020.

STAFF ANALYSIS

Option one, selling the properties as-is, will require a modification to the Minor Land Division (MLD), which will take approximately three to six months with a cost of \$4,000. This option will also require a future Council Action for the dedications/declarations of utility and similar easements. Staff recommends a three-month listing period so the buyers can exercise their due diligence, which requires having their consultants/contractors inspect the site. The listing will cost the city approximately \$2,000. When the listing closes staff will review offers and bring the contracts to the Council. Staff believe the MLD and listing actions will take 10 months in total combined. Due to the complexity of this project, a \$4,000 contingency has been included. The current value of all properties is \$485,000. Proceeds from the sale of this property would be unrestricted general funds.

Option two is to raze the buildings, create parking and add green space to buffer the view from Litchfield Road, and will take approximately 21 months with a cost of \$1.9M. This would be the first public parking facility the city would own and could help to alleviate parking concerns with bringing in retailers and restaurants to the area. The annual maintenance costs of this option would fall under the routine facilities operating expenses.

Option three is to raze the buildings and hold the land for future use, which will take one year and cost \$1.03M.

Lastly, option four is to hold as-is for future use and will continue to cost \$20K per year for annual maintenance. The buildings and parking lot surfaces will continue to degrade and eventually will require capital improvements.

Attachments

None