



City Council

Approval of the Disposition of City-Owned Property Located at 815 SE 7th Avenue

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Title

Approval of the Disposition of City-Owned Property Located at 815 SE 7th Avenue

Recommended Action

Committee Recommendation:

Move to declare the City-owned property located at 815 SE 7th Avenue, Olympia as surplus, and authorize staff to move forward with the sale of the property.

City Manager Recommendation:

Move to approve the Finance Committee recommendation to declare the City-owned property located at 815 SE 7th Avenue, Olympia as surplus, and authorize staff to move forward with the sale of the property.

Report

Issue:

Whether to declare the City-owned property located at 815 SE 7th Avenue, Olympia as surplus and authorize its sale.

Staff Contact:

Jay Burney, Assistant City Manager, Executive Department, 360.753.8740

Presenter(s):

None - Consent Calendar Item

Background and Analysis:

The City currently owns a piece of property located at 815 SE 7th Avenue (see attached map). The property is vacant with no buildings or structures, and staff has no identified or intended uses for the property. Staff is proposing that Council declare this property as surplus and to authorize its sale. Staff provided this recommendation to the Finance Committee at its June 8, 2016 meeting, which they supported.

City staff followed the process set forth in the Council-approved *Procedures for the Evaluation of City Real Property for Reuse and Disposal*. Staff noticed the property as available for a 30-day period from October 1-October 31, 2016 and asked interested parties to submit an *Excess property*

Proposed Use Form. Staff received (2) two submittals from Mr. Robert Knudson and Mr. Michael Healy, which are attached.

Mr. Knudson's proposal is to combine the property with his existing Casa Mia property and redevelop it as a mixed-use multi-story building with ground floor retail and parking, a new Casa Mia restaurant, and market rate apartments.

Mr. Healy's proposal is to combine properties he already owns, along with this property and construct a drive-up Starbucks kiosk with a walk-up window.

Although both proposals provide for redevelopment of the 7th Avenue parcel, Mr. Healy's proposal is not allowed in the current zone, as drive-thrus or drive-ups are not approved for the Downtown Business Zone. For that reason, staff recommends moving forward with the sale of the property to Mr. Knudson.

Mr. Knudson's proposal asks for a 60-day due diligence period, at which time staff will bring back to Council the necessary closing documents.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Declare the City-owned property located at 815 SE 7th Avenue, Olympia as surplus and authorize staff to move forward with the sale of the property.
2. Do not declare the property as surplus and provide direction to staff on next steps.

Financial Impact:

The sale of this property will generate \$150,000 in one-time revenue. Staff recommends the funds be deposited into the Economic Development CFP Project Account to be used for remediation or development efforts of other City-owned properties.

Attachments:

Excess Property Proposed Use Form - Knudson
Excess Property Proposed Use Form - Healy
7th Avenue Parcel Map