



City Commission Work Session Minutes

June 7, 2021 at 3:30 p.m.

Virtual

Present:

Mayor Phil Anderson
Commissioner Marty Sullivan
Commissioner Sheila DeCiccio
Commissioner Carolyn Cooper
Commissioner Todd Weaver

City Manager Randy Knight
City Attorney Dan Langley
City Clerk Rene Cranis

1) Call to Order

Mayor Anderson called the meeting to order at 3:34 p.m.

2) Discussion Item(s)

a. Impact of becoming a landlord

Mayor Anderson explained that the city is considering several initiatives where the City would take on a landlord role under existing leases.

Mr. Knight stated that the discussion would focus on the 929-957 Fairbanks Avenue property, which is being considered for purchase. He explained the terms of existing leases and extensions. The city would receive rent and common area maintenance fees which would cover ongoing maintenance but the city would be responsible for taxes and any major capital maintenance. He added that the properties have not been inspected for code compliance issues but appear to have no outward signs of major exterior problems. He added that prior code compliance cases have been resolved. Discussion followed on ongoing maintenance responsibilities and the responsibilities to bring the building up to code.

Mr. Knight noted that the city has a verbal purchase agreement for 919 Fairbanks.

Commissioner Weaver said he could not support the purchase of 929-957 Fairbanks but supports the purchase of the other two properties because they can immediately be relegated for park land and traffic improvements. He stated having income is appealing, but due diligence is needed on the leases and inspection of property.

Commissioner Cooper spoke in favor of moving forward. She explained the availability of city and ARPA funds. She feels the leases should be brought to logical conclusion as

soon as possible but with no lease less than one year for business owners to consider their options. She would like to understand repairs and receive a legal analysis of the leases.

Commissioner Sullivan agreed with Commissioner Cooper. He questioned whether the business owners could provide financial information so staff could determine their financial viability and whether the purchase is in the city's best interest.

Commissioner DeCiccio said she feels any long-term lease would impact the city's plans to open up the area for the park, turn lanes and other improvements.

Discussion was held on the extension of leases, timing of road improvements, building maintenance and improvements, timeline, financial interest and future options.

Mayor Anderson spoke on the benefits of the purchase of the dry cleaner and 919 Fairbanks. He does not feel the purchase of this third property is a priority but there should be a concrete plan for its use. If the commission intends to move forward, he recommended providing a short transitional period unless it is going to be used as an activation of the park. Mayor Anderson agreed that a due diligence inspection is necessary.

After additional discussion, Mayor Anderson summarized the consensus to move forward with the purchase of the 929 Fairbanks property. He stated that the purchase should be put back on the CRA and Commission agendas for funding and determine what a transitional period means. Commissioner Cooper said she feels a legal review of the leases is necessary to understand what a transition period could look like.

Mayor Anderson asked the Commission to authorize Mr. Knight to discuss early lease termination with tenants. Agreed to by consensus.

Commissioner Weaver asked the Commission if there was agreement to move forward with expending funds for property inspections. Approved by consensus.

Mayor Anderson asked for an update on the old library property. Mr. Knight stated that staff is working to schedule a presentation of The Exchange concept as requested by the Commission.

Commissioner DeCiccio stated the lack of support from the Library Reuse Committee for the Exchange concept was due to limited parking and city's cost for repairs.

The Commission discussed at length The Exchange concept, funding opportunities, other capital priorities, alternative uses and related needs, i.e. building improvements and parking.

Mayor Anderson stated that he would like to add discussion of topics related to Progress Point to the OAO work session on Thursday. Consensus was to add to the agenda. General discussion followed on the development of Progress Point.

Mayor Anderson stated that he would also like to add a discussion on the impact fee bill and the Bert J. Harris bill during the OAO work session on Thursday.

3) Adjournment

Meeting adjourned at 4:54 p.m.

Mayor Phillip M. Anderson

ATTEST:

City Clerk Rene Cranis