

### FOR: COUNCIL MEETING OF March 4, 2014

## FROM: CITY COUNCIL MEMBER Matthew Petty

## **ORDINANCE OR RESOLUTION TITLE AND SUBJECT:**

A RESOLUTION TO EXPRESS THE CITY COUNCIL'S INTENT TO SELL A STRIP OF LAND EAST OF THE NEW PARKING DECK ALONG SCHOOL AVENUE TO PARTNERS FOR BETTER HOUSING TO SCREEN THE DECK AND PROVIDE WORKFORCE HOUSING

APPRØVED FOR AGENDA: 14.703ouncil Member) Matthew Petty Citv Date Feb 13 2014 City Attorney Kit Williams Date (as to form) ENTERED



#### **Departmental Correspondence**

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DEPARTMENT

Kit Williams City Attorney

Jason B. Kelley Assistant City Attorney

TO: Mayor Jordan City Council

CC: Don Marr, Chief of Staff Jeremy Pate, Development Services Director Paul Becker, Finance Director

# DATE: February 13, 2014

FROM: Kit Williams, City Attorney

#### RE: Workforce Housing to screen parking deck along School Avenue

Alderman Matthew Petty, working with Development Services Director Jeremy Pate and my office, is preparing to propose an innovative screening solution for the new Entertainment District Parking Deck along School Avenue.

Through the efforts of Finance Director Paul Becker, we have confirmed that this property was purchased with General Fund money and so is not restricted by the bond ordinance language which Fayetteville voters approved to build the Walton Arts Center. This property is currently owned jointly by the University and City. We need to request that the University quitclaim the portion of the block upon which we are building the parking deck to include this 15 foot strip along School Avenue and the deck. Thus, a survey and lot split needs to be done to divide this property from the rest of the block. The new lease with the Walton Arts Center also needs to remove this portion of the block from the currently leased premises (which has included the entire block). This lot split and transfer of ownership needs to be given high priority and be accomplished quickly.

Once the lot split is accomplished and the land is transferred to sole City ownership, I can work with the Walton Arts Center on the new proposed lease (which has already been studied extensively by the University, Walton Arts Center and City) to remove this relatively small portion of the block. I would expect to provide this proposed new lease to you in March.

After the lot split approval, the conveyance from the University and the approval of the new lease has been accomplished, we can turn to Alderman Petty's proposal to sell this 15 foot strip of land to Partners for Better Housing to build workforce rental housing to screen the parking deck.

Fayetteville taxpayers are constitutionally entitled to fair market value when the City's assets (such as land) are sold. The City is allowed to consider more than just money when determining the adequate considerations to be received for City taxpayers. Regarding this 15 foot strip of land, the City Council can and should consider the savings that our taxpayers will receive if we do not have to pay to construct the planned screening of the deck because the apartments will provide the screening. In addition, the City Council can consider that the apartments will be an improved screening and a better streetscape than originally planned. Additionally, if our agreement with Partners for Better Housing ensures affordable, workforce housing, then this could provide even additional (if more minor) consideration to support a reduced price for the 15 foot strip of property as well as other considerations of reduced parking requirements, bicycle parking, etc. that the City might offer.

#### SUMMARY OF WHAT NEEDS TO BE DONE

The City needs to rapidly complete the following:

- 1. Survey of land from the west side of the parking deck project to School Avenue and the north side of the parking deck project to Spring Street to include area of any liner buildings.
- 2. Complete lot split of this area.
- 3. **Obtain deed** from University to return this parking deck lot to City. (The City purchased it and then freely conveyed a half interest to the University.)
- 4. Agree to a new lease with the Walton Arts Center Council, Inc. to remove the parking deck premises and update the old lease.

RESOLUTION NO.

#### A RESOLUTION TO EXPRESS THE CITY COUNCIL'S INTENT TO SELL A STRIP OF LAND EAST OF THE NEW PARKING DECK ALONG SCHOOL AVENUE TO PARTNERS FOR BETTER HOUSING TO SCREEN THE DECK AND PROVIDE WORKFORCE HOUSING

WHEREAS, the City needs to screen the new parking deck from School Avenue and has identified funds within the parking deck's budget to pay for such screening; and

WHEREAS, rather than a passive, mainly unused screening, the City Council could sell a 15 foot strip along the deck to Partners for Better Housing with provisions requiring appropriate and timely constructed residential buildings that would better screen the deck, provide a more appealing streetscape, and provide needed workforce rental housing in the Entertainment District.

# NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

<u>Section 1</u>: That the City Council of the City of Fayetteville, Arkansas hereby expresses its intent to sell a strip of land east of the new parking deck along School Avenue to Partners for Better Housing to screen the deck and provide workforce housing.

**PASSED** and **APPROVED** this 4<sup>th</sup> day of March, 2014.

APPROVED:

ATTEST:

By:

By:

LIONELD JORDAN, Mayor

SONDRA E. SMITH, City Clerk/Treasurer

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#### **500 West Spring Street** Near Very Walkable /500 Fayetteville(/AR/Fayetteville) Home **Restaurants:** Park Street View. Boles Si Grub's Bar & Grille .08mi Coffee: W.Watson St Hookah Java Cafe & Lounge .1mi Bars: Fayetteville First 🔴 **Ryleigh's** .1mi kson St W Dickson St E Dickson St Groceries: Walker Foods .1mi Parks: iam St. Mount Nord Historic District .4mi Schools: Washington Elementary School W Sprink .4mi Shopping: (±.) Dickson Street Bookshop Inc .1mi Evergreen Cemetery W Meadow SI **Entertainment:** AE Meadow Washington County Historical ... .4mi Errands: Arvest Bank ATM .1mi W Center St Search Nearby: University W. Treadwell St Arkansas bal Campus 66 $(\mathbf{i})$ Go lon **rinte** di Alan

Walkability (and Bikability): The Intersection of Spring and School has a Walk Score of 85 out of 100. This location is **Very Walkable** so most errands can be accomplished on foot. Fayetteville has an average Walkscore of 27%:

- 1. Find a place to live within walking or biking distance to your job and for less than half of your income. In this example, you'll want to look for a living situation where rent and utilities cost no more than \$500 a month.
- 2. Spend no more than \$200 USD a month on household necessities (food, toiletries, cleaning supplies, etc). The only way to pull this off is to cook pretty much everything yourself (buy raw ingredients instead of pre-prepared food),
- 3. Consider dedicating \$100 a month for leisure. That's about \$25 a week. Learn how to treat yourself within that range. This includes buying clothing, which you can get at a thrift store, and transportation for when you go out.
- 4. Cut cellular and cable costs. Cellular plans usually cost about \$30 a month. If you don't use all the minutes in your cell plan, a prepaid or pay-as-you-go phone may save you a lot of money.
- 5. Save the rest for medical and other emergencies. It is generally difficult to get health insurance through a minimum wage job. These steps leave you with about \$170.
- 6. Get a second job or a new higher paying job. Face it, you don't have a lot of money to spend on leisure anyway and that first job, assuming it is full time, is only taking maybe 10 hours out of your day including lunch and commuting.

Six Steps to Living on Minimum Wage http://www.wikihow.com/Live-on-Minimum-Wage

# Partners for Better Housing will:

- 1. Develop design and precedent images of the Workforce Liner Building. Based on preliminary drawings, Project Scope would be 12 Dwelling Units, (6 two bedroom units and 6 one bedroom units). One third of the units would be market rate, 2/3 would be affordable to low income renters. Total number of bedrooms to be 18.
- 2. Select an investment partner and General Contractor that has experience in developing, constructing, and managing affordable housing.
- 3. Finalize transaction details with the City of Fayetteville regarding land price and schedule. Currently envisioning appraised value of land minus cost of rain garden and facades.
- 4. Party wall between parking structure and dwelling units will be rated with a minimum STC of 50 and a fire rating of three hours. Propose that the City of Fayetteville provide a one hour rated wall and that PfBH provides a two hour rated wall with sound deadening material. Two separate walls will be constructed.
- 5. All design and financial arrangements will be finalized in time for the City of Fayetteville to exercise the deduct alternate for Rain Garden and decorative façade work.
- 6. Construction schedule of the Workforce Liner Building to dovetail with Parking Structure schedule. Completion and occupancy of Workforce Liner Building to be within 12 months of completion of Parking Structure.
- 7. Request that the City of Fayetteville will provide access to at least 18 covered bicycle parking spaces within the Parking Structure for the Workforce Liner building tenants.
- 8. Request that the City of Fayetteville will support seeking a reduction in parking requirements for the Workforce Liner Building tenants.
- 9. Request that the City of Fayetteville will construct streetscape improvements along School Avenue. Stoops, ramps, and bay windows will be allowed to extend into the sidewalk space, subject to adequate clearance in the public right of way.

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