



Legislation Details (With Text)

File #:	17-413	Version:	1	Name:	Purchase and Sale Agreement for 1220 Main Street
Type:	Report	Status:		Status:	Agenda Ready
File created:	7/7/2017	In control:		In control:	City Commission
On agenda:	8/16/2017	Final action:		Final action:	
Title:	Purchase and Sale Agreement for 1220 Main Street (Municipal Parking Lot)				
Sponsors:	Eric Underwood				
Indexes:	Goal 1: Implement Economic Development Strategy and Maintain an Environment for Success.				
Code sections:					
Attachments:	1. Staff Report, 2. Purchase and Sale Agreement				

Date	Ver.	Action By	Action	Result
8/16/2017	1	City Commission	adopt	Pass

Purchase and Sale Agreement for 1220 Main Street (Municipal Parking Lot)

RECOMMENDED ACTION (Motion):

Staff recommends that the City Commission approve the Purchase and Sale Agreement for 1220 Main Street.

BACKGROUND:

The attached Purchase and Sale Agreement is associated with the proposed hotel development on 1220 Main Street, which currently serves as the Municipal Parking Lot. The proposal consists of a one hundred room boutique-style hotel with a multi-level parking structure. A total of ninety (90) parking spaces will be designated as public parking within the parking structure in order to preserve the current parking capacity in downtown. The City will work with the developer and PGE to reroute the high voltage transmission wires and underground the distribution wires in this area as part of the Agreement.

The development will impact the City's economy by creating fifty (50) full time jobs, generating annual transient room tax revenues of approximately \$111,606 and generating annual property tax revenues of approximately \$160,000 (based on the UR tax rate applied to a building value of \$10 million). It will add a refreshed aesthetic quality to this section of downtown while acting as a catalyst for future redevelopment and private investment. Additional commercial activity will be generated in the form of hotel guests patronizing local businesses during their stay and the project's construction of additional choices for retail and restaurants.

Costs to the City as part of this Agreement are estimated at \$200,000 in addition to granting full credit of the appraised land value of \$920,000 to the developer. The land value credit is intended to help offset the costs of building a new multi-level parking structure. A breakdown of costs and revenues are provided in the Benefits and Costs for the Proposed 1220 Main Street Development document that is attached to this report along with the Purchase and Sale Agreement and associated Exhibits B and C.

BUDGET IMPACT:

Amount: \$200,000 (est.)

FY(s): 17/19

Funding Source: General Fund