

Agenda Item:
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# COUNCIL COMMUNICATION City Manager's Office

#### **GENERAL INFORMATION**

Agenda Date: 12/20/04 Communication No.:

04-637

Agenda Item Type: Resolution Roll Call

No.:

Submitted by: Richard Clark, Deputy City Manager

## SUBJECT—

Setting date for public hearing on vacation and sale of alley to Leachman Lumber Company.

## SYNOPSIS—

Set the date of public hearing on the vacation and sale of the east-west alley located in the 1900 block of Des Moines Street.

#### FISCAL IMPACT—

Proceeds from the sale of the alley are deposited to the City's property management fund.

### **RECOMMENDATION**—

Approval

## BACKGROUND—

The sale of this alley will facilitate the renovation and expansion of Leachman Lumber (1921 Hubbell Ave., James Kahler, President) retail and wholesale operations at its current location. Specifically, Leachman Lumber will be able to use the alley property to bridge their north (retail) operations while improving and expanding storage locations that have been scattered on-site.

The company has requested a reduction in alley sales price from an estimated value of about \$13,600 to \$1,000 based on a deed covenant requiring certain improvements to be made within the next year.

The planned improvements include (1) a 60 x 150 warehouse with office space fronting Des Moines St. for its Installed Sales Division and parking at an estimated cost of \$250,00-300,000 and (2) landscaping and fencing to improve its attractiveness for retail customers. If Leachman does not undertake the improvements, the company will pay twice the remaining estimated market value of slightly over \$25,000 to the City.

A map of the area is attached.

