



Agenda Item:

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COUNCIL COMMUNICATION

City Manager's Office

GENERAL INFORMATION

Agenda Date: 07/18/05
Agenda Item Type: Resolution

Communication No.: 05-396
Roll Call No.: 05-

Submitted by: Richard Clark, Acting City Manager

SUBJECT—

Set date of hearing for the vacation and conveyance of air-rights over the east/west alley adjoining 112 11th Street.

SYNOPSIS—

Set date of hearing for the vacation and conveyance of air-rights over the east/west alley adjoining 112 - 11th Street to Heritage Affordable Housing for the conversion and rehabilitation of Mulberry Lofts.

FISCAL IMPACT—

The value of the air rights is estimated to be \$1,210. This project furthers the Council's goal of creating an additional 6,000 housing units by 2010, and it will provide entry-level condominiums for professionals who work downtown. Because the project meets these public purposes, the air rights will be conveyed for \$1. If the housing units are not constructed, the Developer will reimburse the City for the entire fair market value.

RECOMMENDATION—

Approval

BACKGROUND—

On May 9, 2005 by Roll Call No. 05-1203, the City Council approved an Urban Renewal Development Agreement with Mulberry Development, LLC for the property located at 112 11th Street.

The Developer proposes to convert the building into at least 45 residential condominium units. The total construction cost is over \$7 million.

On May 9, 2005 by Roll Call No. 05-1204, the City Council approved a recommendation from the Plan and Zoning Commission for the vacation and conveyance of air-rights over the east/west alley adjoining 112 - 11th Street to Heritage Affordable Housing to allow for an encroachment of 6 ½ feet for open air balconies subject to the alley remaining open to vehicular traffic.

On May 23, 2005 by Roll Call No. 05-1272, the City Council approved the Conceptual Development Plan for the conversion and rehabilitation of Mulberry Lofts (the former Harger Blish building at 112 - 11th Street). The Conceptual Development Plan as approved includes balconies on the south side of the structure. These balconies require the vacation and sale of the air rights over the north six and a half (6.5) feet of the east/west City-owned alley from a point fourteen (14) feet three (3) inches above the first floor elevation to the roof deck of the structure.

