



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 10/10/05
Agenda Item Type: Resolution

Communication No.: 05-554
Roll Call No.:

Submitted by: Larry Hulse, Community Development Director

SUBJECT—

Consent to an easement for the encroachment by balconies to be constructed on the south wall of the Equitable Building into the air rights over the Kaleidoscope Building.

SYNOPSIS—

Consent by the City to Hubbell Realty, Inc., granting an easement over the Kaleidoscope Building at 699 Walnut Street for the extension of balconies to be added to the Equitable Building at 604 Locust Street. The City's consent to the easement is required because the City holds a mortgage upon the Kaleidoscope Building.

FISCAL IMPACT—

None

RECOMMENDATION—

Approval

BACKGROUND—

The upper floors of the Equitable Building at 699 Walnut Street are being renovated for residential condominium use by Equitable, L.P., represented by Bob J. Knapp. The proposed renovation includes the construction of balconies on the south wall of the Equitable Building that extend into the air space over a portion of the Kaleidoscope Building at 699 Walnut Street. Hubbell Realty, Inc owns the Kaleidoscope Building. Equitable, L.P., and Hubbell Realty, Inc., have negotiated an easement upon

terms acceptable to them and that satisfy the requirements of the City Building Code for the issuance of a building permit for the balconies.

The Kaleidoscope Building is subject to a lien in favor of the City to secure potential repayment of a forgivable UDAG loan originally advanced for the construction of the Kaleidoscope Building and Hub Tower. The City has been asked, as a lien holder of the Kaleidoscope Building, to consent to the easement.

The easement is necessary to permit the construction of the balconies, and Equitable, L.P., has stated that the balconies are a necessary amenity for the successful redevelopment and sale of the condominium units being created in the Equitable Building. The City's lien is not adversely impacted by the easement.

City Building and Fire Codes limit extension of building elements beyond the wall line in order to control fire spread from building to building. This agreement with the property owners has resulted in language that addresses the building and fire code concerns to the satisfaction of the Building Official and the Fire Marshall.