



Council Communication

Office of the City Manager

Date

June 4, 2007

Agenda Item No. 53

Roll Call No. 07-

Communication No. 07-312

Submitted by: Donald M. Tripp, Park and Recreation Director

AGENDA HEADING:

Hearing on approval of lease agreement with Barrett Family Trust for a portion of 1249 McKinley Avenue.

SYNOPSIS:

Recommend approval for execution of a lease agreement with William Barrett, Trustee, Barrett Family Trust to lease a portion of 1249 McKinley Avenue. Barrett is an abutting property owner to the south and has improvements encroaching on city property. A lease agreement has been prepared for a term of ten (10) years, renewable for two additional ten (10) year terms, with a ten percent rate increase for each renewal.

FISCAL IMPACT:

Amount: Total revenues of \$2403.06 are anticipated:

- \$726.00 total for first ten year term
- \$798.60 for second ten year term
- \$878.46 for third ten year term

Funding Source: Lease proceeds will be deposited into the Fiscal Year 2007-08 Operating Budget, Property Maintenance Endowment Fund, SP767 PKS161625, page 259. The first \$175,000 of annual proceeds to the Property Maintenance Endowment Fund will be returned to the General Fund (GE001 PKS161600) to offset the operating budget of the Property Management Division.

ADDITIONAL INFORMATION:

In 2006, the City began a capital improvement project for Fire Station Remodeling to expand the current parking lot at Fire Station #8, located at 1249 McKinley Avenue. Upon initial inspection, staff discovered that three (3) abutting property owners to the north had encroachments on city property. On January 4, 2006, Fire Chief Phil Vorlander held an informational meeting for neighborhood residents at Fire Station #8 to discuss these encroachments. The Property Management Division of the Park and Recreation Department also notified all neighbors by mail on January 25, 2007, concerning the existing encroachments.

Mr. Barrett, Trustee, contacted staff to enter into a long-term lease agreement for the area on which his structure was encroaching on City property. The other two abutting property owners did not respond, so a Notice of Public Nuisance Removal was sent to each by Certified Mail on May 2, 2007, advising

neighboring residents to remove the unauthorized structure or enter into a lease agreement no later than May 13, 2007. These two property owners have since removed their encroachments.

PREVIOUS COUNCIL ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE