



Legislation Text

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Development Staff Report

To: Mayor and City Council
Through Interim City Manager, Clint Blackhurst

Prepared By: Marv Falconburg, Assistant City Manager for Development

Date Prepared: March 24, 2017

Requested Action: Consider the “Purchase and Sale Agreement” for 575 Bush Street

PURPOSE:

Request to consider an ordinance approving the sale of 575 Bush Street.

SUMMARY:

Attached you will find a draft ordinance approving a Purchase and Sale Agreement between the City of Brighton and the Housing Authority of the City of Brighton for the property located at 575 Bush Street. This property was most recently the Senior Center for the City of Brighton. The property has been vacant since the Senior Center was relocated to a new facility in 2012.

The Brighton Housing Authority has agreed to purchase the property at the request of the City. The Housing Authority plans to preserve the historic brick building on the site and redevelop approximately 28 new senior restricted, affordable housing units. Staff has brought the specifics of the deal points included in this contract to executive sessions twice in the last year. These deal points remain constant and have been incorporated into the contract.

The original brick structure, which was constructed in 1919, is an important historic structure for the city. It was designated as a Local Historic Landmark by the City of Brighton Historic Preservation Commission in 2014. With this designation, the integrity and history of the original brick structure must remain in place, even when ownership is transferred and the property is redeveloped.

Cost estimates to repair and renovate the facility range from \$375,000 to \$700,000. While there is no shortage of creative ideas for possible uses of the building, the staff received a clear directive by City Council not to spend additional money on renovations of this structure. That is why another useful purpose was determined to be the best course of action for this property. Selling the property to the Housing Authority allows the historic portion to be preserved, while significant additional funding will provide modern, affordable senior housing for local residents in an established neighborhood.

The contract includes provisions for the following:

- Purchase price of \$75,000 or at new appraisal value, if more than \$75,000.
- City agrees to provide basic, minimal maintenance during interim period.
- City reserves right to repurchase property if Housing Authority does not receive approval of housing tax credits within specified time period.

Council Options:

The City Council can choose to approve, or not approve this Ordinance allowing the Purchase and Sale of this property.