



City Council Staff Report

Subject: Purchase and Sale Agreement for City-Owned Front Street Parcel

Submitted by: David Mohlenbrok, Director

Date: March 10, 2020

Department: Community Development

Staff Recommendation:

Approve a Resolution of the City Council of the City of Rocklin Authorizing the City Manager to Negotiate a Purchase and Sale Agreement for a City-Owned Parcel on Front Street (APN 010-144-003).

BACKGROUND:

On July 14, 2015, the City Council approved Resolution 2015-189 that approved and directed the City Manager to execute a purchase and sale agreement to purchase the Nippert Front Street property, APN 010-144-003. The property, noted in red outline below, is a 14,000 +/- square foot vacant parcel with access via Front Street and an alleyway.



The purchase of the property was paid out of the General Fund and the purchase amount of \$101,328.00 was expensed in the 2015/16 fiscal year. At the time of purchase, it was envisioned that the property would be used to create a Front Street Plaza as an extension of Heritage Park, and the Plaza would provide an additional area that could accommodate street fairs, music and cultural activities/exhibits. However, while Heritage Park has expanded over the years and Front Street has recently been improved, the property itself has remained vacant.

Staff was recently approached by the owners of the Cante Ao Vinho Tasting Room and Wine Bar located immediately south of the property and they expressed an interest in leasing or purchasing the property from the City for the purpose of developing an outside space ancillary to their wine tasting business. Conceptually the property would be developed to include outdoor seating, landscaping and lawn space for temporary tents/shelters as a first phase, and then more physical improvements such as a tasting bar, restrooms, and a small stage as a future phase. It is anticipated that such first phase improvements could be approved at a staff level, and the future phase would require Design Review approval and potentially a Conditional Use Permit, depending upon the ultimate scope.

The property has a General Plan Land Use designation of Mixed Use and is zoned Historical District. The proposed use of the property is consistent with the General Plan Goal for Mixed Land Uses which is “To create unique pedestrian oriented areas that successfully integrate employment, shopping, housing, social and cultural activities.”

Procedurally, if the City Council authorizes the City Manager to negotiate a purchase and sale agreement, staff would commission an appraisal to determine the fair market value of the property, the Planning Commission would be asked to making a finding of General Plan Consistency pursuant to Government Code section 65402, and the purchase and sale agreement would be brought back to Council for approval. The purchase and sale agreement will include specific milestones and performance standards such as timeline requirements for entitlement application submittal or entitlement approvals. These performance requirements will ensure the developer is actively pursuing the project and not tying up the property for speculative development opportunities. Staff is prepared to take direction from the City Council on any such desired performance requirements.

Fiscal Impact:

The City would need to incur the cost of having an appraisal prepared, which is estimated to cost approximately \$3,000. A fiscal analysis in support of the staff report noted above has been completed and submitted to the City's Finance Department for approval. The Finance Department, based upon the information provided by the Department, has verified there is currently funding available in the 2019/2020 budget for the \$3,000 appraisal cost, and additional budget appropriations are not required.

Account (Fund/Division/Object)	Current Budget	Expended to Date	Funds Remaining
1006016035	\$349,000.00	\$123,249.09	\$225,750.91