



Intra-Departmental Communication

DATE: April 17, 2018

TO: Board of Parks and Recreation Commissioners

FROM: Travis W. Kiefer, P.E., Asst. Dir. – Engineering, Planning, & Design Division

SUBJECT: Recommendation for Bid Award –Sale of Parcels at 2025 Tracy and Immediate South Lot

Background

Two bids were received and opened on March 22, 2018 for Parcels at 2025 Tracy and Immediate South Lot. The sale includes two tax parcels at 2025 Tracy and the lot immediately to the south. The land appraised at \$116,000. The appraisal included an evaluation of the structure and recommended its demolition. The request for bids was advertised in the KC Star from March 10-19 and requested a minimum bid of \$126,000. The minimum bid amount included the appraised amount, appraisal cost and advertisement cost.

BKM Construction LLC submitted a bid for \$131,000 and their intended use for the land was for construction office, utilizing the existing structure, and construction equipment storage and staging. District ROW LLC submitted a bid for \$127,000 and their intended use was for land was to demolish the existing structure and use the land for the future construction of thirty-five market rate residential units.

The property is split between two zoning classification areas: R-1.5 (the southerly portion) and M1-5 (the northerly portion). The Invitation to Bid disclosed those classifications.

The zoning district of M1-5 is a manufacturing district that applies only to the northern portion of the property. For that northern portion of the property that is within 150 feet of Paseo Boulevard particular restrictions on use apply within that zoning classification. There is substantial vacant portion on the eastern portion of the property (visible from Paseo) that makes it vulnerable to outside storage. Outside storage would be prohibited within that easterly 150 feet. Offices are generally permitted within M1-5. General manufacturing is allowed with a Special Use Permit (SUP) only, as it is adjacent and within 150 feet of a boulevard. Inside warehouse use is allowed with a SUP only, as it is adjacent and within 150 feet of a boulevard. Further, a construction business is permitted only within M1-5 with a special use permit. Such a permit would only be considered if the use were setback 150 feet from Paseo Boulevard. As to the southerly portion of the property zoned R-1.5, if the higher bidder wanted to utilize that portion of the Surplus Property for its stated purposes, then a rezoning would be required and an area plan amendment would have to be a part of the request.

Before the higher bidder's use could be implemented zoning requirements would need to be met, including seeking a re-zoning of the southerly portion of the property and an area plan amendment, and obtaining special use permits.

The lower bidder would be allowed to construct the proposed town homes under the current M1-5 and R-1.5 zoning. No rezoning would be required for the lower bidder proposed use for town homes.

The Surplus Property is located with Greater Downtown Area Plan (sometimes referred to as GDAP). The GDAP was adopted as a guide for future development and public investments by Committee Substitute for Ordinance No. 100049 passed March 11, 2010. The GDAP identifies two uses for this Surplus Property:

- Downtown Mixed Use (northern portion): accommodates office, commercial, light industrial, manufacturing, public/institutional, residential at lower intensity than the Downtown Core District.
- Downtown Residential (southern portion): residential development and small commercial on lower floors with residential above.

The land use recommendation appears to follow the zoning lines of the Surplus Property. As the Downtown Mixed Use allows for light industrial the proposed use by higher bidder would be allowed only in the M1-5 portion of the Surplus Property.

The GDAP has five main goals and the most applicable pertaining to this project include the doubling population, increasing employment, and retaining and promoting safe, authentic neighborhoods.

District ROW LLC, proposed use is more consistent with the permissible uses within the applicable zoning districts, the GDAP and the 18th and Vine Historic District.

Recommendation

Staff recommends Board approval for the acceptance of the bid and proposed use submitted by District ROW LLC for the purchase price of \$127,000 and requests authorization for the Director or his designee to seek further approval from the City Council for such transfer, and if approved, then execute the transfer of the property on behalf of the City and the Board.