



## Legislation Text

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**File #:** RES 19-0010, **Version:** 1

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### **ITEM TITLE:**

#19-10 - Authorizing a Lease with IN Properties, LLC for a 3,720 square foot Portion of Lot 2, Block 2, Mineral Creek Subdivision (Barney Meyring Park Strip) Adjacent to Lot 12, Block 15, Mineral Creek Subdivision

**SUBMITTED BY:** Nicole LeRoy, Community Development Planning Technician

### **FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

### **RECOMMENDATION:**

Approve resolution 19-10 authorizing a lease with IN Properties, LLC for a 3,720 square foot portion of Lot 2, Block 2, Mineral Creek Subdivision (Barney Meyring Park Strip) adjacent to Lot 12, Block 15, Mineral Creek Subdivision

### **SUMMARY STATEMENT:**

In 1976, Willow Park (formerly known as Cottonwood Manor) was constructed with an approved parking plan including 20 spaces. At the time, the requirement for multi-family dwellings was one space per dwelling unit. Per this requirement, there were only 20 spaces required by code at the time of construction. Current parking code, however, requires 1.5 spaces per dwelling unit (VMC 17.48.100A2)

If the building was constructed today, 30 parking spaces would be required. The original 1976 parking plan included five spaces at the rear of the building. However, due to snow removal issues, and access required by the International Fire Code for fire apparatus, those spaces are no longer usable, bringing the total number of parking spaces for the building to 15. In August 1990, tenants of Willow Park filed an official complaint with the City regarding insufficient parking. The limited number of spaces resulted in tenants parking in the cul-de-sac which impeded the City's snow removal and street cleaning.

The City has worked with the various owners of Willow Park throughout the past 18 years to resolve the limited parking issue. Formerly, the problem was resolved by Summit Properties, LLC, former owner of Willow Park, leasing land from the University of Alaska. However, in spring 2008, Prince William Sound College declined to renew the lease agreement as they were planning to construct additional storage for their own facility at the site.

City Staff met with Public Works to develop an alternative parking option for residents and determined that a small area of the Barney Meyring Park Strip on the side of Willow Park could be used as additional parking if it was approved by the Parks and Recreation Commission, Planning and Zoning Commission, and City Council.

An original lease request from Summit Properties, LLC went before the Parks and Recreation Commission on April 16<sup>th</sup>, 2008, and the Commission voted to recommend approval of the lease with the condition that parking barriers would be placed to clearly define the area. On April 23<sup>rd</sup>, 2008, the Planning and Zoning Commission voted to recommend approval the lease request as well. Finally, on May 19<sup>th</sup>, 2008 City Council approved the lease request and an agreement was executed. City Council approved the assignment of leasehold interest from Summit Properties, LLC dba Cottonwood Manor to Mr. Douglas Galipeau on September 15<sup>th</sup>, 2008.

Mr. Galipeau's lease expired on May 31<sup>st</sup>, 2018 and has been in "holdover" status since, subject to all terms and conditions on a month-to-month basis. Mr. Galipeau sold Willow Park and wishes to revoke his rights to the lease for additional parking adjacent to his property.

Mr. Larry Innes, owner of IN Properties, LLC, purchased Willow Park from Mr. Galipeau in October 2018 and approached Planning Department staff with a request to lease the additional parking area adjacent to the apartment complex.

The original lease document between Summit Properties, LLC and the City of Valdez named the following development requirements as conditions of the lease:

1. Parking area must be one lane deep with a 12' access aisle. 15 spaces are required in the parking area.
2. Parking spaces must be north of the light pole and dumpster to allow for snow removal into park strip.
3. IN Properties, LLC is responsible for snow removal within the leased area.
4. IN Properties, LLC is responsible for providing the City with a \$1 million general liability insurance naming the City of Valdez as an additional insured.
5. Spaces must be clearly marked with additional flagging during the winter months.
6. Spaces are to be assigned to tenants and clearly marked as private parking.
7. Barriers need to be installed at the west and north end of the parking spaces to prevent vehicles from driving onto the park strip or through the park strip to the next cul-de-sac.
8. Parking spaces shall be used for parking operational and licensed vehicles only. No snow machines, 4-wheelers, boats, campers, non-running or unlicensed vehicles or storage containers can be parked on the lease area.
9. The site is required to be graded for proper drainage at the cost of the lessee.

Planning Department staff inspected the proposed lease area for compliance with these original

development requirements and found that the spaces remained unmarked, and there were no barriers placed delineating the leased area. In accordance with this, staff recommends that all the above development requirements remain a condition of the new lease as well.

Commentary from Marcie Robertson, Parks and Recreation Maintenance Supervisor, and Public Works Director Rob Comstock is attached requesting that concrete parking pins defining the lease boundary be set and that the site be graded appropriately for proper drainage.

Planning Department staff recommends the approval of this lease because off-street parking requirements must be within 400 feet of an accessible entrance to the building, which greatly limits the option for a different site (VMC 17.48.1002G.) In addition, the lack of sufficient parking for Willow Park Cottonwood Manor without this lease presents a safety issue and a violation to the Valdez Municipal Code. On October 10, 2018, the Planning and Zoning Commission voted to recommend approval of this lease.

Pending Council approval of this lease, Planning Department staff will order an appraisal for the purpose of determining fair rental value. The property is to be appraised for the purpose of determining fair rental value every five years per VMC 4.08.150 and fair rental value will be calculated as no less than 10% of the appraised value. Pursuant to Valdez Municipal Code 4.08.100, IN Properties, LLC will be responsible for appraisal, survey, and other costs associated with the lease process throughout the duration of the agreement. The proposed term of this lease is for five years with five, five year renewal options. Following Council approval of this lease, Planning Department staff will work with the City Attorney and IN Properties, LLC to execute a new lease agreement.