



COMMUNICATION

COUNCIL

Agenda

City Manager's Office

Item No.:

41

GENERAL INFORMATION—

Agenda Date: 2/23/04
091

Communication No.:04-

Agenda Item Type: Resolution

Roll Call No:

Submitted by: Richard Clark, Deputy City Manager

-

SUBJECT—

Approve recommendations regarding City-owned land in the Valley Drive (now George Flag Parkway) -Garden Street area. These properties were purchased following the 1993 floods.

SYNOPSIS—

The Council and staff have received several recent requests to purchase or trade the City-owned property in the Valley Drive-Garden Street area. At this time, the City cannot sell or trade these lots because of the no-development and sale restrictions imposed by the Federal Emergency Management Agency (FEMA), the major federal funding source for the property purchases.

To respond to on these requests, Staff recommends the following:

- The City pursue release of the FEMA land use restrictions;
- Contingent on release of the FEMA restrictions, City staff report to Council with recommendations for the use(s) of these properties based on the long-range development potential of the area, especially for a higher commercial use than generally exists in the area today, and possible need for some of these properties for future public works projects; and

- Respond to the inquiries which requested trade or sale of City land that the City cannot take action on their requests until FEMA makes its decision and Council directs a course of action of disposition of these properties after receiving recommendations on the future land uses.

FISCAL IMPACT—

--

RECOMMENDATION—

Approval of roll call directing implementation of the recommendations contained in this communication by the City Manager or his designee.

BACKGROUND—

The City purchased flood-damaged homes from approximately 25 homeowners in the Valley Drive-Garden Street area following the 1993 floods. The Federal Emergency Management Agency (FEMA) and U. S. Department of Housing and Urban Development (HUD) provided funding for these purchases.

Federal statutes and regulations governing the funding require the City to maintain the properties as open space with the City retaining ownership. The City has previously requested release of these restrictions from FEMA but has not received a response.

Upon approval of the roll call on the Feb. 23rd agenda, City staff will actively pursue release of the FEMA restrictions. It is anticipated obtaining FEMA's response and probable negotiation of the terms for the release will take 9-12 months, based on previous experience working with FEMA for the release of the similar restrictions on flood-purchased properties in the Frisbie Park area.

Staff will also respond to the individual inquires requesting sale or trade of lots in the area indicating the City cannot undertake any transactions on these properties at this time due to the FEMA restrictions. In addition, because of long-range potential and potential need for some of these properties (for example, SW Diagonal connector around SW 23rd St.), the City should not take any actions "promising" its properties.

If the restrictions are released by FEMA, the City should evaluate the long-range development potential of the area, especially for a higher-level commercial use than generally exists and the possible need for some of these properties for future public works projects before taking action on disposition of the properties. Implementation of this evaluation should provide a land use plan for this area that will provide a policy on sale of these properties.