



Request for City Council Committee Action From the Department of Public Works

Date: March 2, 2004
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Subject: **Former Fire Station No. 13 at 4201 Cedar Avenue South –Change in Purchaser and Price**

Recommendation:

Receive and File the updated information. No further Council action is needed.

Previous Directives:

- City Council action passed December 30, 2002, directing staff to apply for local/national historic designations and directing staff to sell the property to the highest bidder using a sealed bid process.
- City Council Resolution No. 2003R-428 designating the property as a local landmark.
- City Council action in December 2003 approving the sale of former Fire Station No. 13 for \$536,000 to the highest bidders, Steven and Shelley Holzemer, and authorizing the execution of all required documents. Further, if the highest bidders withdrew from the purchase, staff was authorized to sell the property for \$355,000 to the next highest bidder, Hagen, Christensen & McIlwain Architects.

Prepared by: Rebecca Law, Project Manager, 673-3252

Approved by:

Klara A. Fabry, P.E., City Engineer, Director of Public Works

Presenters: Steven Kotke, Director of Property and Equipment Services

Financial Impact (Check those that apply)

No financial impact - or - Action is within current department budget.

(If checked, go directly to Background/Supporting Information)

Action requires an appropriation increase to the Capital Budget

Action requires an appropriation increase to the Operating Budget

Action provides increased revenue for appropriation increase

Action requires use of contingency or reserves

Other financial impact (Explain):

Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

The property at 4201 Cedar Avenue South is a vacant City-owned building that was the previous site of the old Fire Station 13. In December 2002 city council directed staff to sell the property to the highest bidder using a sealed bid process. Sealed bids were received and opened November 20, 2003 and the six qualifying bids contained purchase offers from \$257,700 to \$536,000. The City Assessor had previously estimated the market value of the property at \$373,000.

Steven and Shelley Holzemer were the highest bidders at \$536,000 but they recently notified us that they will not complete the purchase of the fire station. The second highest offer was from Hagen, Christensen & McIlwain (HCM) Architects at \$355,000. HCM Architects have confirmed that they will still honor their original bid. They intend to renovate the fire station to be the home office for their architectural business. The sale transaction should close no later than the end of March.

This update on the fire station sale is for informational purposes only. No further action is needed by the City Council.