

Memorandum

To: Community Development Committee

From: Caroline Gregerson

Date: 2/5/20

File ID: 20-0087

Re: Potential Action on LOI for 7th & Jackson St (former Plaid Pantry Site)

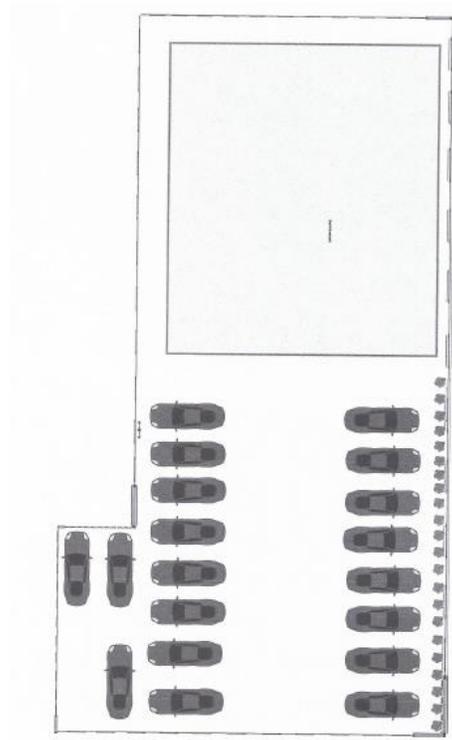
Background: The RHP purchased 618 Jackson St and 1004 7th St, demolished the dilapidated structures. The City expended a total of \$247,391,18, given the high priority nature of this corner. To help attract a developer, the City combined the lots and rezoned the parcel to Traditional Neighborhood Development. A Request for Letters of Intent (LOI) was published in March 2019. The property was listed on the MLS listing on 3/26/19 for \$30,000, the price was reduced to \$25,000 on 5/20/19 and then to \$24,000 on 10/25/2019.

Letter of Interest: LADCO provided a letter of interest proposing to acquire the adjacent lot and develop a mixed-use development with 4900 square feet of retail space.

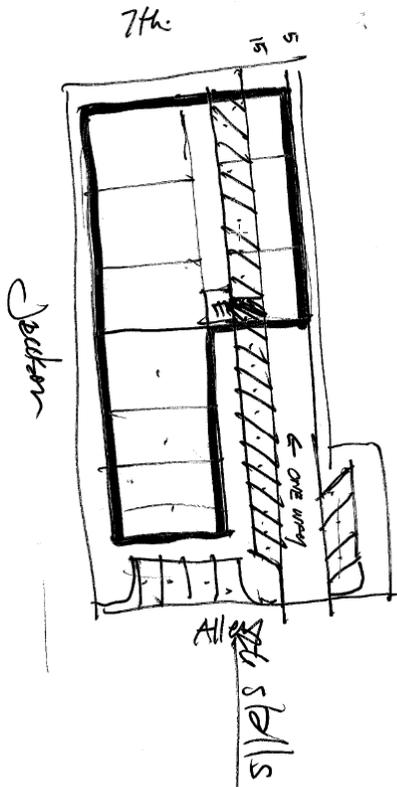
Since then, the City has received another Letter of Interest for a 16-unit apartment building. See drawings below. The proposer has a background and has been in conversations with an architect. If the Committee chooses to select the second proposal (versus the first), staff recommends the following requirements:

- Site design that has the building fronts Jackson with parking in the rear. See example below.
- Committee and staff approval of architectural plans, business plan (operating pro-forma), construction estimates from a construction firm, before final action and approval of proposal
- Building to include live-work apartments on the ground floor (to make it appear mixed-use). This would be ground level entrances and additional architectural elements that give the appearance of commercial space or of townhomes. (See photo below).

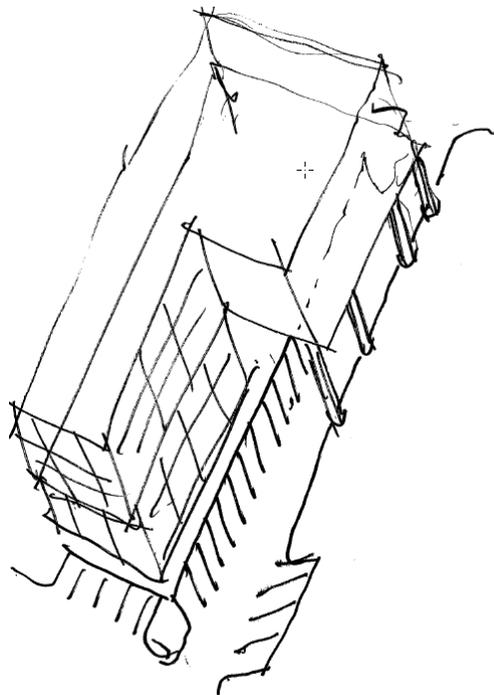
A third proposal emerged on Wednesday, February 5, and staff, using the flexibility offered on the LOI, “consider a submission that is non-compliant with submission requirement” indicated that it would also receive this third LOI. This proposed is for mixed use, 3000 feet of commercial space and approximately 4 units of housing. The commercial space would possibly for an Indian grocery store, although the applicant is not ready to make any firm commitments. Staff believes the cost estimates for this project \$350,000 to be low, the applicant does not have a lot of relevant experience managing this type of project, nor have they completed a business plan. Depending on the level of experience of this third proposal, staff would recommend acceptance of this proposal, contingent on working with LADCO for technical expertise. Would also require a business plan, architectural plans, estimates from construction companies, before moving forward.



Proposed Site Plan 1



Staff Recommended Site Plan 1



Staff Recommended Site Plan 2



Example covered parking 1



Example covered parking 2



Live work units 1



Ground floor units with separate entrances



Live work units 2