



Legislation Text

File #: 120804., **Version:** 2

Gainesville Fire Rescue Station 1 Replacement Project (B)

This item involves a request that the City Commission authorize the City Manager to execute purchase agreements for two parcels of land and a lease agreement for one of the parcels to allow for construction of the Gainesville Fire Rescue Station 1 Replacement Project.

Gainesville Fire Rescue Station 1, at 427 S. Main Street, was constructed in 1961 and has had few renovations in the past. The quality and durability of the building have deteriorated during those 52 years. Additionally, construction standards have been upgraded to ensure survivability from natural disasters since its construction. The useful life of a new facility constructed with current standards could exceed 50 years. The new Fire Station 1 should also be built with the capability of addressing the increasing service needs of Innovation Square as new development occurs with current plans calling for 5.5 million square feet. In the FY13-17 Capital Improvement Plan (CIP), the City Commission authorized the expenditure of funds in FY13 for the design and land acquisition to construct a replacement for Fire Station 1.

Staff contacted the owners of the parcels adjacent to the current Fire Station 1 in an attempt to expand the station. The adjacent parcels currently house functioning businesses which were recently renovated. The owners of the adjacent parcels quoted three to four million dollars to acquire the parcels and relocate the businesses. This option would require the current station to be demolished and the need to establish a temporary station at additional cost or create a gap in fire coverage resulting in an overload on other fire stations.

Staff has negotiated with the owners of tax parcel 13038-000-000, David Mathia, and tax parcel 13040-000-000, Peter Theoktisto, to acquire both parcels. The two parcels are located south of the existing Fire Station 1 and offer fifty percent more buildable space. The option of constructing a new station on the two parcels offers the ability to keep the new station close to the existing station which is desirable for fire rescue responses and also allows the current station to remain operational during construction. Each parcel is appraised at \$485,000.

Mr. Theoktisto has a functioning business located on his parcel. In order to acquire a parcel he has identified to relocate his business, he is requiring \$525,000, which is 8.25% over the appraised value.

The parcel owned by Mr. Mathia has two leases. One lease expires July of 2013. The other lease expires December of 2016. In negotiations with the later tenant, staff offered to honor the lease until December 31, 2014 and forgive the rental payment in exchange for the decrease in term of the lease. Staff has negotiated paying \$525,000 8.25% over the appraised value. Staff believes it is in the best interests of the City to acquire the two parcels.

The purchase agreements provide for a due diligence period allowing the City to complete an environmental assessment of the properties and a Concept Plan for development of the site prior to closing on the properties which is expected by October 17, 2013. The Concept Plan will seek to demonstrate the capacity of the properties, through an urban level of design, to meet GFR's needs as well as the needs of adjacent businesses

which have focused on the availability of parking. Early work on the Concept Plan demonstrates that a significant number of on-street public parking spaces can be created as part of the construction project.

Staff met with impacted and adjacent businesses on a few occasions including the most recent on June 17 to provide them with the latest information on plans for the Fire Station 1 replacement. The notes from the meetings have been provided to participants and as backup to this agenda item. The meetings provided staff with the opportunity to hear suggestions and concerns that we can try to address through the fire station design process or in other ways. GFR has been an important part of this neighborhood for over 50 years and will continue to be a good neighbor. Staff views this project as a community building opportunity and will work closely with stakeholders during the design and construction phases of the project to solicit and incorporate input for the betterment of the project and the neighborhood. GFR is accustomed to working in this manner as was done with the neighbors of Fire Station 8. Staff will seek an urban design for the new fire station that is fitting for this location and the City's goals for downtown and Depot Park.

The purchase price of the two parcels is estimated at \$1,050,000. Additional costs may include, but are not be limited to, approximately \$7,000 for documentary tax stamps and recording fees; environmental audit and soil bearing test fees estimated at \$75,000; and a boundary survey fee of approximately \$15,000, for an estimated total of \$97,000. The combined total purchase price and additional costs are estimated to be approximately \$1,147,000 for FY13. As noted above, the FY13-17 CIP includes \$1,000,000 in appropriations in FY13 for the Fire Station 1 project. The Fire Station 8 budget is \$4,925,000, and the total costs of the project are approximately \$4,100,000. To cover the FY13 difference, city staff requests that \$200,000 in funding from the City's Capital Budget for the Fire Station 8 project be made available to cover costs associated with acquisition of the properties and to initiate design of the new fire station. An additional \$6,000,000 has been allocated in FY15 for the Fire Station 1 project.

The City Commission: 1) authorize the City Manager to execute the purchase agreements with David Mathia and Peter Theoktisto for the purchase of tax parcels 13038-000-000 and 13040-000-000 and all associated closing costs, subject to approval by the City Attorney as to form and legality; 2) authorize the City Manager to execute a lease agreement with Chris Fillie, subject to approval by the City Attorney as to form and legality; and 3) authorize the use of an additional \$200,000 in funding from the City's Capital Budget for costs associated with acquisition of the properties and to initiate design of the new fire station.