



## Staff Report

August 5, 2024 – Regular Council Meeting

Property Purchase – 306 NE Everett St.

Presenter: Doug Quinn, City Administrator

Time Estimate: 10

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**BACKGROUND:** Property Acquisition; this property currently houses the Camas Saw Shop and is partially leased by the City to house the Fire Marshals office. The property has long been identified as desirable for future expansion and use by the City as a municipal asset. No expansion or conversion plans have been prepared for the site but its proximity to the existing City Hall and future fire department building align it well for that purpose.

The City has attempted to purchase this building in the past without success. It was recently relisted for sale by Calceus, LLC, in May 2024. The city conducted an appraisal of the building, using the services of CBRE Valuation & Advisory Services. Based upon that appraisal and working with the city's attorney, the City has successfully reached an agreement for purchase, after completing our due diligence inspection. This purchase was discussed with Council in executive session on June 3, 2024.

### **BENEFITS TO THE COMMUNITY**

The acquisition of this property completes a longstanding plan to provide expansion or replacement options within the City's municipal campus. The listing of the property presented an opportunity for acquisition. Citizens' access to city services, including Fire/EMS, Building and Permitting, Engineering, Planning, and Finance, is essential and currently constrained by the existing layout. The business of the city is conducted within the current City Hall building, along with the library, two leased spaces (Court Bldg. & IT space), and an additional building owned by Camas, known as the old BOA building, which is scheduled for repurposing as a fire station.

This acquisition reinforces the City's ability to grow while remaining in the downtown core area. The strategic location of City Hall in the heart of downtown underscores the City's commitment to maintaining a vibrant and accessible civic center. The colocation of services within a centralized municipal campus enhances operational efficiency and provides a convenient, one-stop destination for residents accessing various city services.

Historically, the City has worked diligently to consolidate this block into city ownership, aiming to create a cohesive and integrated municipal complex. This effort reflects a vision of streamlined service delivery and improved public access, ensuring that essential services are readily available to the community. Currently, the municipal court and Information Technology (IT) groups are housed off-site, but the acquisition supports the long-term goal of bringing all city services together in a unified downtown location. The proximity of the Library and City Hall lays the groundwork for an efficient and user-friendly municipal campus, ready to serve the community effectively for decades to come.

**POTENTIAL CHALLENGES:** The Fire Marshal's Office has maintained a lease for several years in the existing building on the property being purchased. This building is aged and requires substantial repairs to meet minimal standards for staff and citizen access. For example, the HVAC system is currently inoperable, forcing the City to install an alternative, temporary cooling system to allow occupancy of the building. If approved by voters, the Fire Marshal's Office will be relocated to the new Station #41.

A Phase II environmental assessment was conducted, revealing the presence of abandoned underground fuel storage tanks, but found no evidence of leakage. Both tanks are sand-filled. Building systems, including HVAC, roofing, access controls, and site drainage, are dated, in need of repair, or inoperable. Due to these concerns, the value of this acquisitions lies with location more so than the structural improvements.

**BUDGET IMPACT:** The Real Estate Excise Tax (REET) Fund will source the purchase by accessing existing fund balance. Due to the nature of this matter, it was not anticipated in the prior budget although capacity to make this purchase exists within the designated fund. The REET fund is uniquely designed for growth related capital projects.

**RECOMMENDATION:** Staff requests a motion to approve the purchase of the property located at 306 NE Everett & 605 NE 3<sup>rd</sup> Ave. Camas WA, and authorize the City Administrator Doug Quinn, to sign the closing documents and Purchase agreement in the amount of \$1,412,500 plus closing costs.

Subject Photographs

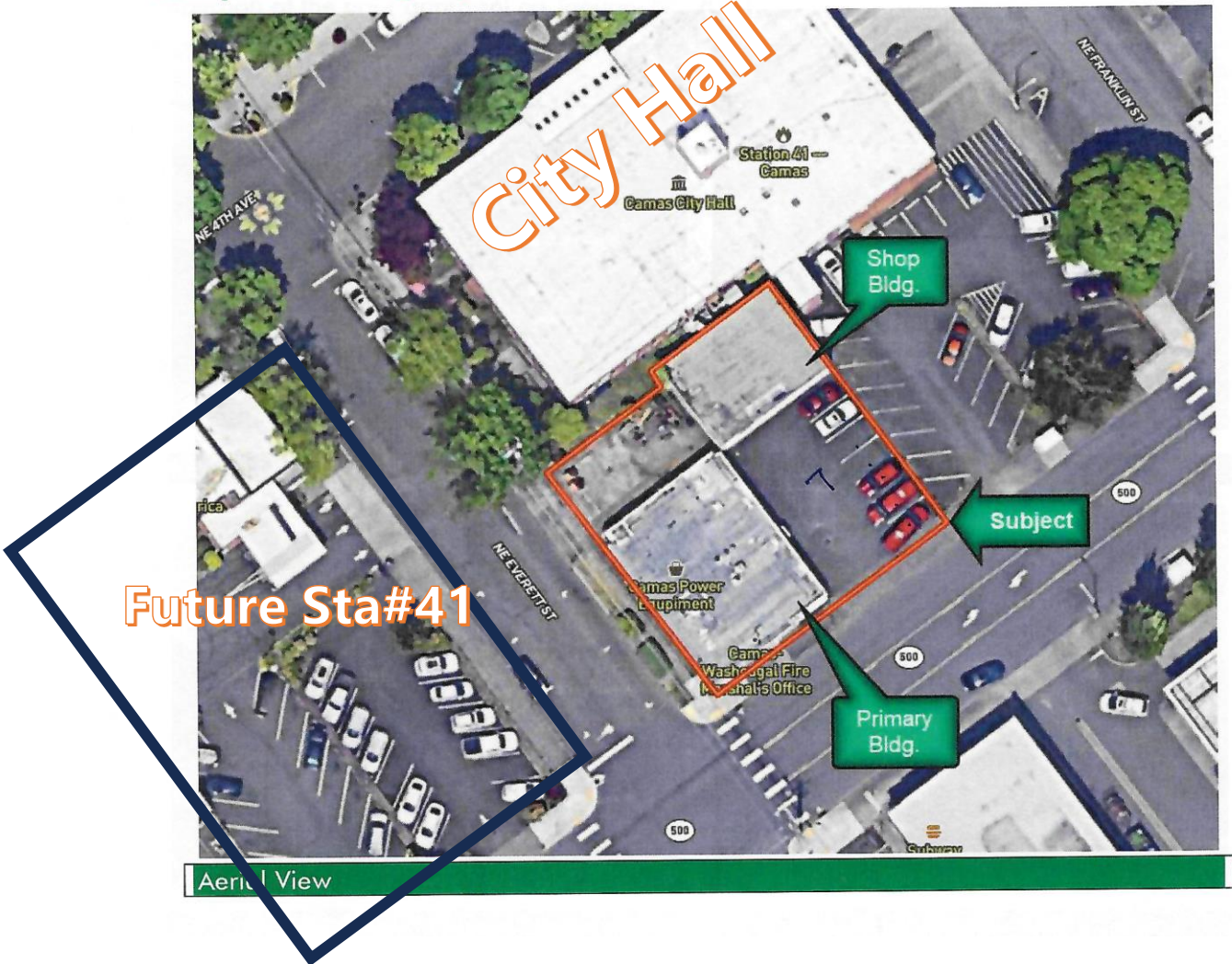


Figure 1: Aerial Photo of 306 NE Everett St, Camas