

Meeting Date: December 15, 2020

ORIGINATING DEPARTMENT: Administration, Community Development

PRESENTED BY: Nina Williams

ITEM:

Ordinance 2020-13, Approving the Transfer and Conveyance of Real Property, Located at M Street and W. Third Street, from the City of Salida to the Chaffee Housing Trust

BACKGROUND:

The subject property, owned by the City, is located at the corner of M Street and W. Third Street and is approximately 16,769 square feet, or .38 acre.

On August 18, 2020, City Council adopted Ordinance 2020-10, rezoning a portion of the property from R-1 (Single Family Residential District) to R-2 (Medium Density Residential District), and Ordinance 2020-11, vacating a portion of E. Crestone Avenue, which then became a part of the subject property.

On November 23, 2020, the Planning Commission approved, with conditions, a limited impact review for a new six-unit affordable residential development, to consist of 4 separate buildings, including a duplex, a primary residence with an attached ADU, and two single-family dwellings.

Subsequently, the City administratively approved the lot line elimination between the two-City owned lots at M Street and W. Third Street, resulting in a single lot.

The Plat of the subject property and lot was recorded with the Chaffee County Clerk and Recorder on December 9, 2020, at Reception No. 465349. Prepared by Landmark Surveying & Mapping, this is included in the packet for your reference.

Pursuant to Council's direction, the City Attorney will ensure that the proper conditions, terms and agreements are recorded when the property is transferred from the City to the Chaffee Housing Trust (CHT). This will ensure the timely construction of the residential units, for sale or rental to households earning at or below 80% of the Area Median Income (AMI) in perpetuity.

In addition, the actual transfer and conveyance of the property will not occur until the relevant improvements within M Street are completed. The City will be responsible for relocating the water line at M Street, and for the reconstruction and paving of M. Street. CHT will pay for the relocation of the sewer line from East Crestone Avenue to M Street before the property transfer, and will complete the construction of sidewalks along M and W. Third Street prior to the issuance of Certificate of Occupancy.

Fiscal Note:

Estimates for the City's responsible portion of the right-of-way improvements, still yet to be bid, are between \$90,000 and \$115,000. Other costs, including engineering and design, surveying and appraisals, were around \$12,000.

The appraised land value for the two original City-owned lots was \$122,000.



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STAFF RECOMMENDATION:

Due to the rapidly increasing cost of living over the last few years, the Salida City Council has consistently advocated and adopted, as an essential priority and fundamental goal, the increased development and availability of affordable housing for the City's workforce. After a lengthy public process over the last two years, with community input, Council has identified this property as potential for an affordable housing development, and specifically tasked staff with pursuing the necessary applications and drafting for same.

Staff recommends approval of Ordinance 2020-13 on first reading.

SUGGESTED MOTION:

"I move to approve Ordinance 2020-13, Approving the Transfer and Conveyance of Real Property, Located at the Intersection of M Street and W. Third Street, from the City of Salida to the Chaffee Housing Trust, on first reading and setting a public hearing and second reading for January 5, 2021."

CITY OF SALIDA, COLORADO ORDINANCE NO. 13 (Series of 2020)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, APPROVING THE TRANSFER AND CONVEYANCE OF REAL PROPERTY, LOCATED AT THE INTERSECTION OF M STREET AND W. THIRD STREET, FROM THE CITY OF SALIDA TO THE CHAFFEE HOUSING TRUST, AND AUTHORIZING THE EXECUTION OF CERTAIN AGREEMENTS FOR SAID SALE

WHEREAS, the City of Salida, Colorado ("City") is a statutory city, duly organized and existing under the laws of the State of Colorado; and

WHEREAS, pursuant to Colorado Revised Statutes § 31-15-713, the City, acting by and through its City Council ("Council"), possesses the authority to sell and dispose of real estate owned by the City by ordinance, where the real property was not used or held for park purposes or any governmental purpose; and

WHEREAS, the City owns certain real property within the City at the intersection of M Street and W. Third Street (the "Property"), more particularly described in Exhibit A, attached hereto and incorporated herein by this reference; and

WHEREAS, over the last few years, the City Council has consistently adopted as an essential priority and fundamental goal the increased development and availability of affordable housing for the City's workforce; and

WHEREAS, in furtherance of these goals, the City and the Chaffee Housing Trust are negotiating agreements under which the City will convey the Property to Chaffee Housing Trust for the purpose of constructing a new six unit residential development, which will be for sale or rental to households earning at or below 80% of the Area Median Income (AMI) in perpetuity; and

WHEREAS, the City Council finds and determines that the Property has not been a public park, and is not, or has not been, used or held for any governmental purpose; and

WHEREAS, the City Council therefore desires to approve the transfer and conveyance of the Property conditioned upon execution of a development agreement and the completion of certain improvements at M Street and W. Third Street.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO:

<u>Section 1</u>. The City Council incorporates the foregoing recitals as conclusions, facts, determinations and findings by the City Council.

Section 2. <u>Conveyance of real property</u>. Pursuant to Colorado Revised Statutes § 31-15-713, the City Council hereby approves the conveyance and transfer of the real property described on Exhibit A, to the Chaffee Housing Trust, and authorizes and directs the Mayor to execute a quit claim deed and such other instruments as necessary to effect such conveyance, in form approved by the City Attorney.

<u>Section 3.</u> <u>Development Agreement Approved</u>. In connection with the sale of Property approved by Section 2 above, and in order to ensure the timely construction of the new six unit residential development, for sale or rental to households earning at or below 80% of the Area Median Income (AMI) in perpetuity, the City Council hereby authorizes and directs the Mayor to execute a development agreement and any associated documents, in form approved by the City Attorney.

<u>Section 4.</u> <u>Conditions of Approval of Sale of Property.</u> The transfer and conveyance of property and execution of deed approved by Section 2 above is expressly contingent upon the satisfaction of all of the following conditions precedent: (1) the execution of a development agreement, and any associated documents, in form approved by the City Attorney; (2) the completion of improvements at M Street and W. Third Street, including (a) the relocation of sewer line from East Crestone Avenue to M Street (final cost to be paid for by Chaffee Housing Trust prior to transfer); (b) relocation of water line within M Street (to be paid for by City); and (c) reconstruction and paving of M Street, meeting alignment and grades approved by Public Works (to be paid for by City).

<u>Section 5.</u> <u>Severability</u>. The provisions of this ordinance are severable and the invalidity of any section, phrase, clause or portion of the ordinance as determined by a court of competent jurisdiction shall not affect the validity or effectiveness of the remainder of the ordinance.

INTRODUCED ON FIRST READING, on December 15, 2020, ADOPTED and ORDERED PUBLISHED IN FULL in a newspaper of general circulation by the City Council on this _____ day of _____, 2020 and set for second reading and public hearing on the 5th day of January, 2021.

INTRODUCED ON SECOND READING FINALLY ADOPTED and ORDERED PUBLISHED IN FULL BY TITLE ONLY by the City Council on this 5th day of January, 2021.

City of Salida

Mayor P.T. Wood

ATTEST:

City Clerk/Deputy City Clerk

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

LEGAL DESCRIPTION OF A TRACT OF LAND

A PORTION OF STRIP "C" OF EDDY BROTHER'S ADDITION AND THE VACATED PORTION OF CRESTONE AVENUE EAST, CITY OF SALIDA, CHAFFEE COUNTY, COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE COMMON CORNER OF LOTS 3 AND 4 OF SAID STRIP "C" AND THE SOUTHWESTERLY RIGHT-OF-WAY OF WEST 3RD STREET, BEING MARKED BY A 1 ½" ALUMINUM CAP STAMPED LS 16117, FROM WHENCE THE INTERSECTION OF THE SOUTHWESTERLY RIGHT-OF-WAY OF WEST 3RD STREET AND THE NORTHWESTERLY RIGHT-OF-WAY OF L STREET, BEING MARKED BY A 1 ½" ALUMINUM CAP STAMPED LS 16117, BEARS NORTH 41°29'27" WEST, A DISTANCE OF 150.40 FEET;

THENCE SOUTH 43°56'04" WEST, ALONG THE COMMON LINE OF SAID LOTS 3 AND 4, A DISTANCE OF 91.78 FEET TO A POINT BEING MARKED BY A 1 ¾" STEEL DISC STAMPED LS 6753;

THENCE NORTH 46°03'38" WEST, A DISTANCE OF 150.05 FEET TO THE COMMON LINE OF LOTS 6 AND 7 OF SAID STRIP "C", BEING MARKED BY A 1 ¾" STEEL DISC STAMPED LS 6753;

THENCE NORTH 42°46'42" EAST, ALONG SAID LINE OF LOTS 6 AND 7, A DISTANCE OF 9.19 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF CRESTONE AVENUE EAST AS VACATED, BEING MARKED BY A 1 ½" ALUMINUM CAP STAMPED LS 6753;

THENCE NORTH 18°46'13" EAST, A DISTANCE OF 60.27 FEET TO THE NORTHERLY RIGHT-OF-WAY OF CRESTONE AVENUE EAST AS VACATED AND THE SOUTHEASTERLY RIGHT-OF-WAY OF M STREET;

THENCE NORTH 49°12'02" EAST, ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY OF M STREET, A DISTANCE OF 47.25 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY OF WEST 3RD STREET:

THENCE SOUTH 39°44'16" EAST, ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY OF WEST 3RD STREET, A DISTANCE OF 172.58 FEET TO THE POINT OF BEGINNING.

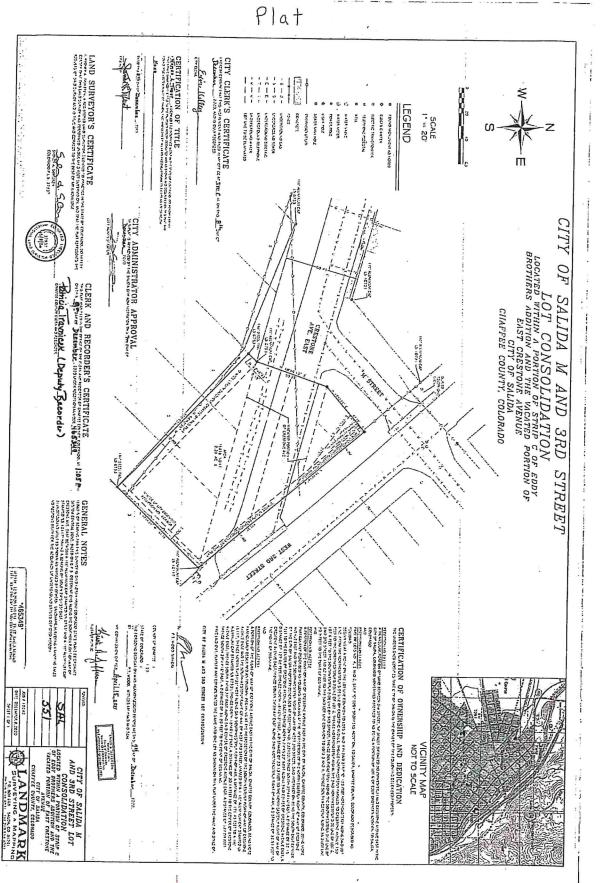
CONTAINING 16816 SQUARE FEET, MORE OR LESS.

PREPARED BY:



EXHIBIT B Informational graphic of Property





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