


--MEMORANDUM--

**TO:** City Council

**FROM:** Gregory E Buckley   
City Manager

**DATE:** July 3, 2025

**SUBJECT:** Proposed Purchase of Parking Lot Parcel at SW Corner of Adams and 18<sup>th</sup> Streets

At the past two Council meetings, Council members have discussed in closed session the possible purchase of the above-cited parcel, shown on the attached map.

This parcel, which contains a paved parking lot with 22 spaces, is currently owned by Wine Not LLC, which is also the owner of the real estate occupied by Cool City Brewing Company and a parking lot at the NE corner of Adams and 18<sup>th</sup>, next to the Post Office.

This office was contacted by a representative of Wine Not LLC earlier this year, inquiring as to whether the City would be interested in buying the parcel; he indicated that, if the City was not interested, Wine Not would likely place the property on the market.

(NOTE: The City, under a cooperative agreement with Wine Not LLC dated October 2022, currently has the right to use 10 of the 22 spaces in this lot; that agreement also designates 10 spaces in the City-owned Community House lot as "public parking" at all times, and allows for placement of a dumpster to serve Cool City Brewing Company in that City-owned lot. The cooperative agreement expires in October 2027, or can be terminated by either party upon 365 days notice.)

Through negotiations between the City and Wine Not, LLC, the parties have agreed in principal to terms for a purchase/sale of the parcel in question, with key terms as follows:

--Purchase price of \$30,000

--Purchase contingent on Wine Not being able to convey the property with clear title, and upon the City conducting a Phase 1 environmental site assessment (ESA) and determining, to its sole satisfaction, that it wishes to proceed with the purchase following review of that Phase 1 ESA

--Sale to close not later than July 31, 2025, or within seven days following City's receipt of a commitment for title insurance and draft closing documents, whichever occurs later (Seller responsible for title insurance and customary closing costs)

--Cost of the Phase 1 ESA, not to exceed \$1,500, to be deducted from the sale price at closing

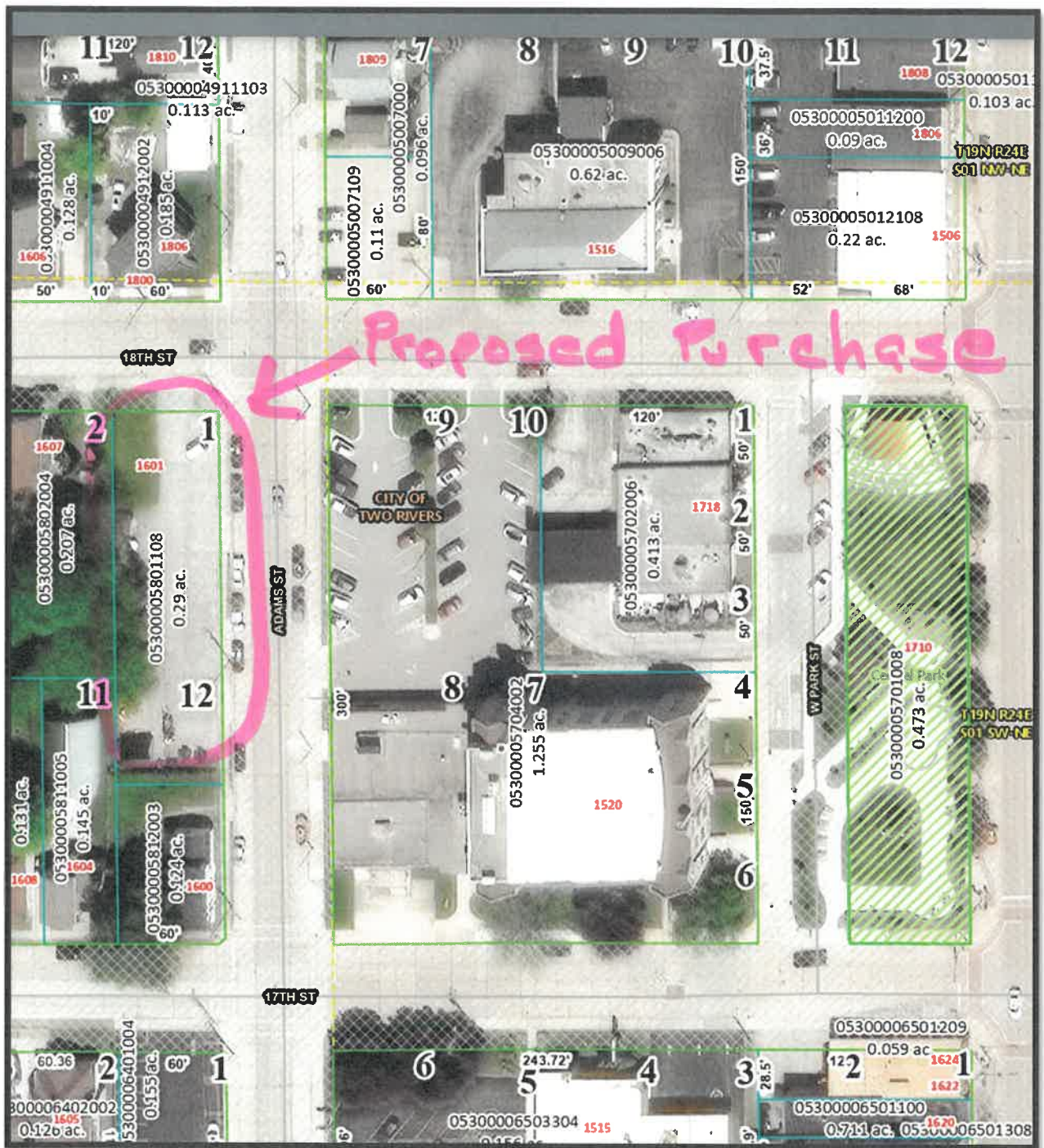
--If the City elects not to proceed with the purchase based on the results of the Phase 1 ESA, then the City will bear the cost of the ESA; a copy will be provided to Wine Not for its use

These terms, and other language as recommended by the City Attorney, are included in the attached Purchase and Sale Agreement, prepared by the City Attorney.

While the City has not pursued the purchase of this privately-owned property in the past, it is staff's judgment that it has value as a convenient location for the parking of Parks and Rec Department vehicles as well as public parking. It represents one of very few undeveloped properties in proximity to the Community House that could be acquired and used for parking at such a low price. Further, for many years, when it was owned by Wells Fargo Bank, it was freely used by the community for public parking, even though privately owned. If it were sold and became unavailable for public or City vehicle/staff parking, we would feel the pinch.

(Just as an FYI, the City rents spaces in City-owned lots to private parties for \$200 per space per year.)

Presented for your consideration in conjunction with this proposed purchase is a budget amendment to make funds from existing capital budgets available for this purchase.



0.29 acre

2025 Assessed Value \$19,300

Currently contains 22 parking spaces

Legal description Original Plat Lot 1 and N 60' of Lot 12 Block 58