

Exec Session 10-20-09

Nunan Square
Union Negotiations
Update on SOHS
Pharmacy building
Nunan Sq buildings

225 S. Third St – 28:08

Administrator Wyntergreen – in relation to the Miller House, there is a potential (for property), right behind us, used to be called the Ester Hinger residence, and that's at 225 S. Third, it is in an estate and going on the market soon. We expressed interest and the realtor said they will hold off on any improvements for a short time, to see if there's any interest from us. If there is no interest from us, they are going to be sinking some dollars into it to do some interior cleanup, estimated at \$12,000 that would be added to the sales price. The sales price, as is, is set at \$288,000, that (property) could function as a police facility. You'd have some interior work, some wall removals, and items like that could be done to make a residence function as a police office, so we'd be sinking some money into that too. I couldn't estimate how much until we got inside to see what is there. That could tie in to the Miller house and Sampson house; we'd basically own about 2/3 of the block if you acquired this. So that's another option, it is in the Urban Renewal district and it does have some compatibility.

Discussion of the Romero property ensues.

Suggested donation of Community Center to seniors, exchange Brunner building for Romero property. Also look at property behind Public Works.

Continued discussion:

Councilor Dodero – The problem I see on your earlier thought Donna, the Council should be giving some direction of where we're going on this. The problem I see is the Council has never, well they have taken a stand on what the overall vision is going to be. Are we going to have an overall vision of what works best for the City or are we going to be driven by property that becomes available here or there, or whatever happens to be the best deal? Over the last several years it's always come down to the point that people would like to have a City Center, basically at the Miller/Sampson property. And that's where they'd like this thing to happen, and the consolidation has always made sense, because it's probably the most cost effective way, instead of building buildings all over the place, having a more consolidated, you don't necessarily have to have them in one building, but we've got this structure that's available right now and that would not only give us a place for the police dept in the short term, it would give the city a lot more latitude if they wanted to build a city center, because we'd own a greater part of that block. Originally when we bought that a lot of us thought that was the direction we'd go, because eventually we'd get as much of that block as possible so if we want to do something and build some kind of a campus, that the city would be able to use, multi-use, we would have more space to do it. The problem we're running into now with just the Miller and Sampson is not

everything's going to fit on there. This opportunity, I think is a god-send, one because if you're going to buy property, this is the time to buy it, this is not the time to be selling property. So that property is going to be worth more in the future than it is right now. I don't know if we could even do eminent domain and get a better price on it, like we did with the Munson property, but that's neither here nor there. Seems to me that the City has spoken several times, and that the citizens have spoken and that they wanted the City center there. This seems like this is one step closer to doing what the city needs to do.

Councilor Schatz – so John, you're arguing that we should make an offer on Ester Hinger's property? I would agree.

Councilor Becker – yeah I also agree.

Mayor Garrett – Ok, but I'm still trying to figure out how we went from the Brunner building to...

Councilor Dodero – I think these things are diversions from the real thing, the reason we can't make a decision, or I believe we haven't been able to make a decision, is we go running after every new thing. They went after 5th Street, trying to figure how to get that, and we had the buildings over in Nunan Square we're trying to, and all the time the people were saying, we want the City Center basically where the buildings are right now.

Mayor Garrett –so when you say City Center, are you saying Admin, Police and Fire?

Councilor Dodero – I'd like to have the potential of doing that. If they don't want to do that in the future, they could sell that piece of property, and it's going to be worth more then.

Mayor Garrett – I'm just trying to get clarification.

Councilor Becker – I understand what you're saying.

Councilor Dodero – I think going in that direction, I think that's a great idea. I think if we could get everything on there, not public works, but if we were ever to be able to get the other building behind the Sampson house, you know, my vision has always been to have the Fire department right across from the city park. The kids would be able to see the guys polishing their trucks; it's a Norman Rockwell moment if you want volunteers to come into the Police department, like Josh, and the Fire department, that's the way to do it. Plus you have the park right there and Public Safety right there by the park.

Councilor Becker – I want to make sure what you're trying to use, you're talking about using the Sampson House, the Miller House and the property for purchase behind it for all three.

Councilor Dodero – yeah and including that piece of property that we would buy and let's see where it goes from there. But at least that would get us one step closer to consolidating a big enough piece of property where we'd be able to have facilities that would accommodate possibly three, you know, fire police admin, and a community center.

Councilor Gilman - I agree with the purchase of the property, I would prefer to acquire the piece of property next to the Fire department right now, well; I'd like to see both happen. I don't see any reason for the Fire department to have to move, I think that Police and Admin and a Community Center up here would be fantastic, but if it could happen fine, but I think that it is going to be far enough down the road, but buying that piece of property would still be in our best interests.

Councilor Becker – I think I tend to concur with what Chris says.

Councilor Schatz – one other thought while we're going all over the place, another argument for hanging on to the Brunner building is that it does serve a purpose right now, and what has come out of that and Vi Davis' expertise with money, is that we've stashed away some money, that has been the income source for the Community Center, and as well as providing an outlet for a certain group of people, 35+ volunteers that it takes to run that operation. So that's another thing that would have to be resolved, the Brunner building is an excellent site for a thrift shop. And over and over again they are told by people what a great shop it is, so I actually think it's a plus for Jacksonville with the retail operation that's going on, but that the money is stashed away to be used at another time. The Sampson House needs repair, it needs a new roof, we know that coming down the road here, and part of that funding could be used to shore up the Sampson house for a period of time. I think they'd be willing to do that.

Mayor Garrett – let me interject, one of the considerations for the city to keep the Brunner building was that repair cost was about \$185,000 for immediate repairs. Not to do the restoration work required, that's just to keep it from further deterioration. So if the City keeps the building, we have about a \$200,000 problem sitting across the street that we have to do something with fairly soon, and that's not to talk about getting it back to a fairly tolerable condition. I know the seniors are very tolerant, and they've been there quite awhile, but the reality is, it needs a lot of work.

Councilor Dodero – I think these are all valid points, but again, I think it might be diverting us from a decision here. I mean the main issue is the Police and Fire. Hanging on to the Brunner building is a good idea, we can talk about what to do with that, but it would be nice to get some forward motion on taking care of this Police thing, and possibly acquiring an asset that not only is going to be for use, but (inaudible).

Mayor Garrett – I don't think anybody's disputing that, I think the rub is acquiring the property next to the Fire department and doing something with that.

Councilor Dodero - that should be discussed in its own right

Councilor Meyers – I think that's why the Brunner building is being considered, because we're trying to come up with a way to (inaudible). But I also think it's worth it, not to discredit anything that's already been done, but their ability to save \$100,000, is a result of the Sampson House being a dollar a year, and the Brunner spot at a dollar a year. And those are City assets, but they're not getting, the City's not getting anything from those. I mean they're providing a service, which is great, but the reason they were able to save the \$100,000 is because they

haven't been required to pay any rent on those buildings. I don't want to take that away from people, but on the other hand, it's realistic to say, maybe the store has to move back to the little shop that's next to the Sampson house, so that the city can make the land swap for the Fire station or at least rent it out to make some money for the City, because that's why they were able to save \$100,000. I think it's great that they were able to do it, but from that luxury.

Councilor Schatz – yeah, and let's not forget that the city has also had the use of the Sampson property and the seniors have paid the utilities on it.

Councilor Meyers – but they'd have to pay for that wherever they went.

Councilor Schatz – that's true. But this 'free ride' bit doesn't quite go, because they have paid and the City has had the use of that property.

Councilor Winterburn – but doesn't your deal here say that the (inaudible) have use of the Sampson house?

Councilor Gilman – that's my proposal.

Councilor Becker - I'd like to remind you all with the Brunner building, we saw the tip of the iceberg from a few people who came up and talked at the microphone in the recent month hoping that we weren't going to go any route to use the Sampson house. If we go the route we're talking about with the Brunner building, I think hell have no fury like what we're going to run into. I kind of agreed with Linda, they're not paying for that, it's a free service, but by the same token, it's a large chunk of our population getting this service, and that's what we're here for. I love the idea of trying to get this land next to the Fire station, maybe (inaudible) accounting, selling things, and what John's talking about, extending backward out to the Miller house and that would solve almost all the problems.

Councilor Gilman – what is the value of the Brunner house, I mean Brunner building?

Administrator Wyntergreen – we'd probably have an appraisal done before anything, but we haven't had one in terms of real market value.

Councilor Gilman – did they give you an idea what they wanted for the piece of property next to the Fire department?

Administrator Wyntergreen – \$140,000 to \$160,000 is what they were looking at.

Councilor Dodero – the Brunner building would probably be (inaudible).

Councilor Gilman – I'd almost rather try to find \$140,000 and craft whatever we had to and keep that building. We'd ruffle far less feathers.

Councilor Dodero – I would concur with that approach, but I think that there should be a discussion about the building because we have to serve the whole community of Jacksonville and

there are some vocal people that I'd be willing to bet are the minority in town. These are active people and they have good hearts and they're doing what they see to do, but if that building went into a rental situation, or even sold off for commercial use, we could probably rent that building out and pay the seniors about the same amount of money that they're making every year, out of what we make from that building every year. The other part that none of us talked about is our downtown area is kind of blighted in some areas, we have barriers and we don't have anchor stores on the perimeter of the town to make people walk through the whole town. To make towns work, you have to have people walking the whole town, and if you have viable, high draw businesses on the perimeter of your town, you're going to have more blocks working other than the one block between Oregon St. and 3rd street. That's really the only block that works in this town because we have some serious blockages on the east side of town because some stores are closed that just stop people dead, nobody's in there. And the gas station, I just love Steve; I think he performs a service, but that's a problem, across the street from there. We are underutilizing these structures in our downtown area.

Councilor Becker – what are you suggesting with the gas station?

Mayor Garrett – I think he's saying it's just an obstruction.

Councilor Dodero – you know, everything on the other side, we're losing business because it's dead out there. And C street is a big problem, if we can get people walking there, get some cottage industry there, we need to take a look at these bad blockages in town.

Mayor Garrett – I think we have consensus to go ahead and explore the purchase of the Ester Hinger property behind the City offices, is that correct?

Councilor Becker – right.

Mayor Garrett – and I think we have consensus to look at the property that Chauncey Romero has, that may or may not include the Brunner building, but to explore the acquisition of that property, is that correct?

Councilor Schatz – yes.

Councilor Gilman – yes.

Councilor Becker - that is good potential.

Administrator Wyntergreen – I can continue negotiations, but we need to have fairly good faith (inaudible) particularly with the Estate, because they're going to hold off on improvements based on our expression of interest. So, if you're solid on the Ester Hinger property . . .

Councilor Meyers – when they talk about the things that need to be repaired, are they, I mean have you walked through it?

Administrator Wyntergreen – it's not a disaster, no, but it is sort of a meandering facility, and I know we're going to have to knock some walls.

Councilor Meyers – I just (inaudible) if it's doable.

Administrator Wyntergreen – yes, it's doable.

Mayor Garrett – I think the price is overly optimistic.

Administrator Wyntergreen - I just want to make sure we're negotiating in good faith, because I don't want to get into it and then we decide not to do that.

Councilor Dodero – is that price set in stone?

Administrator Wyntergreen - that is there opening price.

Councilor Dodero – possibly we can get it for less than what they're asking?

Administrator Wyntergreen – it's possible yes.

Mayor Garrett – we'll get an appraisal and go from there.

Councilor Dodero – compare the price relative to what it needs to bring it up to speed at least.

Councilor Meyers – she asks questions regarding RVCOG.

Councilor Becker – Can we get back to what we were talking about? Paul, I would ask you to pull a packet on how long these owners have owned it and what they paid for it.

Administrator Wyntergreen – Ester Hinger owned it for quite some time, she just passed away recently, she was not a new resident.

Discussion continues regarding property north of cemetery.