

Staff Report

**PROPOSED SALE OF PARKING LOT AT 120 FIFTH STREET**

March 28, 2011

The City Council referred a letter from Mr. Chuck Winkleblack who represents the owner of the property at 120 Fifth Street. The owner is seeking to determine if the City would have any interest in acquiring the property for use as public parking. Apparently, the owner is asking \$96,000 for the property.

The Traffic Engineer has reviewed this lot located behind the Pantorium. The condition of the lot from the visual inspection looks to be in good shape. There are virtually no surface cracking, potholes, etc. It appears there are approximately 16 stalls (18 in total if we remove some bollards). If acquired by the City, the Traffic Engineer suggests that the lot be set up for reserved stalls considering Fifth Street has a surplus of on-street parking meters. At the current rate of \$35/month for reserved stalls, the lot should earn \$6,000 dollars per year (assuming 80% of stalls reserved). At this rate, the payback for the acquisition would be 16 years, without taking in account the operations and maintenance costs.

**Given the fact that 1) the acquisition of this lot will not result in any increase in parking spaces in the Downtown District since they are currently available for this use, 2) the payback will be quite long, 3) the Parking Fund does not appear to be in a condition to sustain this type of unplanned capital expenditure, and 4) the Library Board of Directors is seeking to purchase the property to the east of their facility to expand parking opportunities, the staff is not recommending that the City Council consider the purchase of the lot at 120 Fifth Street at this time.**