



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: City Manager

To: City Council

From: City Manager & Staff

Council Meeting Date: October 17, 2022

Re: Approval of a Real Estate Contract for Property Located at 1509 Ashley Street, VFW Post 280.

## Executive Summary

This resolution approves purchase of the property located at 1509 Ashley Street. The property is owned by the VFW Post 280 and the selling price is \$865,000.

## Discussion

The Veterans of Foreign War (VFW) Post 280 has indicated a willingness to sell their existing building, parking lot and picnic shelter located at 1509 Ashley Street. A negotiated selling price of \$865,000 was mutually agreed upon. Pending Council authorization, a closing date will be scheduled as soon as possible.

The purchase of this facility will allow the city to enter into partnerships with social service organizations, with a short-term goal of providing a location for the services provided by the Room at the Inn (RATI). Future use of the facility will be dependent on the City and resident needs at the time.

Staff is requesting authorization to utilize American Rescue Plan Act (ARPA) funds for the purchase and building improvements. Council has established the first half of the ARPA funding be designated for initiatives related to homelessness, community violence, behavioral crisis care mental health services, and workforce development. This project fits into several of these initiatives.

### Property and Building Information

The site is approximately 2.70 acres and is in Ward 1 located between the City's Municipal Power Plant and Interstate 70. It is boarded by commercial properties to the west and a 23.5 acre two home residential tract to the east.

The building is 13,708 square feet and includes a large open space meeting room with a seating capacity of 300. There are several smaller rooms that contained a game room and lounge, offices, and a commercial kitchen. An outdoor picnic shelter, approximately 3,000 square feet in size, is located on the east end of the property. The VFW Post 280 building is approximately 400 feet west of Bowling Street and approximately 1220 feet down Bowling Street to E. Business Loop 70.



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## Purchase Details

VFW will retain ownership of furniture and fixtures including but not limited to tables, chairs, wall hanging, pool table and a shuffleboard unit. All kitchen permanent and portable equipment will remain with the City. VFW will have 30 days to remove these items from the date of closing.

The City will allow VFW to store up to four trailers on the property rent free for up to 18 months after closing. This will allow the VFW members to temporarily relocate their property while in search for a temporary or permanent location.

There is an existing billboard on the property with Lamar Outdoor with a \$2,000 annual rental that will transfer to the City. Unfortunately, VFW members have not been able to locate the written agreement but are continuing their search and will reach out to Lamar if needed.

## Bus Route

There is a bus stop on the Orange route located on Rangeline Street at Boone Electric and Public Works will be creating a bus stop to provide bus service directly to the facility. This may require an increase in stop times or route modification pending public input.

## Zoning

The property is currently zoned IG (Industrial) and staff anticipates returning to Council to rezone the property. In the meantime, a temporary use of the premises may be approved for up to 180 days to accommodate the Room at the Inn activity. "Temporary shelter," (a homeless shelter established on a permanent basis) according to the Unified Development Code, requires zoning in either a commercial mixed-use district or multiple-family residence district and approval of a conditional use permit by the City Council.

## Public Input

A public input meeting was held on October 10 at the VFW Post 280 picnic shelter and residents within a half mile radius of the property was invited to attend and discuss the purchase with staff. Thirty-four (34) people attended the meeting including Councilperson Nick Foster and several social service organizations. In general, the discussion and comments were positive with some concerns regarding activities of facility users before and after they leave the facility. All written comments are included.

In addition to the public input meeting, information about the purchase was posted on BeHeardCoMo. Twenty (20) comments were received are attached. Citizens also had the opportunity to email the City Manager's office and those emails are included as well.

The Business Loop CID voiced the same concerns about the use of this property as those expressed in a letter to the Mayor and City Council regarding the proposed Opportunity Campus. The Deputy City Manager met with the Loop Board on October 13, 2022 to hear their concerns and discuss possible solutions.



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Attorney Marjorie Lewis, via an email attachment, sent Mayor Barbara Buffaloe, City Council members, and the City Manager, an opposition letter to the use of the VFW property as an overnight shelter. This letter and new information are included. The letter also referenced opposition information that was presented to Council at the October 3 meeting relating to the proposed final plat of "E.C. Moore's Subdivision, Plat 1A" near the intersection of Bowling Street and Business Loop 70. Since that information was already presented to Council, it was not included at this time but is referenced in the Legislative History section.

To alleviate some of the surrounding property owner's concerns, staff anticipates extending the existing AAAChange (pronounced 4-A-Change) contract to provide outreach and case management services to unsheltered individuals. Staff will continue to work with numerous organizations and City departments on procedures for the safe transitions of users of the VFW facility.

## Facility Improvement Budget

Staff from various city departments including Fire, Health, Parks and Recreation, Public Works and City Manager's office conducted a preliminary inspection of the facility on July 20, 2022 and developed a preliminary list of improvements required for City use of the facility. The cost estimates are generic and will likely require assistance with an engineer, architect and/or product manufacturers as this process moves further. A list of improvements is shown on the document titled "Proposed VFW Post 280 Improvements." Staff anticipates a budget of \$437,500 for identified improvements plus 12% for professional services (\$52,500) for a total of \$490,000.

## Operating Costs

The City does not plan on operating the facility. Instead, existing contracts with service providers will provide the staff and volunteers needed to operate the facility. However, there will be basic facility costs required such as utilities and ground maintenance. The operating costs for the facility was calculated based on City utilities, Ameren Gas, and outside maintenance resulting in a range of \$27,800-\$29,000 per year. Utility costs for this location was approximately \$17,300 for the past 12 months (October 2021 to Sept 2022) with the highest month being October 2021 at \$2,008 and the lowest month was December 2021 at \$1,143. Ameren gas services averaged \$413 per month for the past year for an estimated total of \$5,000 per year. Periodic mowing and snow removal around the outside of the property is estimated at \$5,500 per year. Final arrangements between organizations that use the facility may pass some of these services or costs to the users.

## Summary

Staff recommends the purchase of the property as the opportunity to acquire a site that contains a large building that is near existing municipal services is rare. The VFW Post 280 is about the same distance north of the Business Loop as similar social service providers that are located south of the Business Loop. If Council approves the purchase, staff will begin to modify the building for immediate use and continue long range planning for projected future uses.



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## Fiscal Impact

Short-Term Impact: Purchase price is \$865,000 plus fees, closing costs, title search.

Long-Term Impact: Utility, site cleaning/mowing/snow removal costs \$27,800-\$29,000 per year depending on use, if other arrangements aren't made.

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Inclusive Community, Secondary Impact: Safe Neighborhoods, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Livable & Sustainable Communities, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

## Legislative History

Date	Action
10/03/2022	Approving the Final Plat of "E.C. More's Subdivision, Plat 1A" located on the northeast corner of Business Loop 70 and Bowling Street; authorizing a performance contract (Case No. 217-2022). <a href="https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=5842262&amp;GUID=7D38A2DC-2C04-4FA4-9966-2D7CCD7E5F22&amp;Options=&amp;Search=">https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=5842262&amp;GUID=7D38A2DC-2C04-4FA4-9966-2D7CCD7E5F22&amp;Options=&amp;Search=</a>
08/01/2022	Authorizing a social services provider agreement with AAAAChange, LLC for outreach and case management services for unsheltered individuals. <a href="https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=5742527&amp;GUID=A277CAF4-5E8A-4964-AC2B-218D3BC7D098&amp;Options=ID Text &amp;Search=AAAAchange">https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=5742527&amp;GUID=A277CAF4-5E8A-4964-AC2B-218D3BC7D098&amp;Options=ID Text &amp;Search=AAAAchange</a>

## Suggested Council Action

If Council concurs with the purchase, approval of the resolution is required.