



Department Source: City Manager

To: City Council

From: City Manager & Staff

Council Meeting Date: August 7, 2023

Re: Approval of a Real Estate Contract for Property Located at 411 E. Broadway

Executive Summary

This legislation approves purchase of the property located at 411 E. Broadway, commonly known as the historic McKinney Building. The property is owned by Rick and Kimi Rother and the negotiated selling price is \$1,500,000. Staff further requests that Council approve the appropriation of \$1,700,000 from the Capital Investment Income account to the project. The additional \$200,000 will be used to cover closing costs, rekeying doors, securing garages, miscellaneous repairs, utilities, and other operational needs.

Discussion

Rick and Kimi Rother have indicated a willingness to sell their existing building and parking lot 411 E. Broadway. The McKinney Building was originally listed for sale in 2019 with an asking price of \$1,930,000. A purchase contract was agreed upon for \$1,790,000 during the pandemic but that purchase failed due to the unknown economy. A negotiated selling price of \$1,500,000 was mutually agreed upon between the sellers and the City. An additional \$200,000 will also be appropriated to cover closing costs, rekeying doors, securing garages, miscellaneous repairs, utilities, and other operational needs. Funding comes from the interest generated from capital improvement fund balances and will be appropriated to the McKinney Acquisition project account. Pending Council authorization, a closing date will be scheduled as soon as possible.

As noted on the attached "Building Description," the two-story building was constructed circa 1917. It currently sits on a 65' wide by 142.5' deep lot. The first floor finished area is approximately 4,180 square feet and the second floor finished area is 3,500 square foot. There is a 400 square foot unfinished basement. The parking lot has 12 surface parking spaces and a 5 car unattached garage that was added in 2007.

The McKinney Building is a cultural landmark within Columbia and has commemorated the social, educational, religious and civic life of Columbia's Black population for decades. The McKinney Building is on the Boone County Historical list of notable properties (application attached) and staff reached out to the Boone County Historical Society for further details. After extensive research, the Society prepared and presented the attached letter documenting the prominent role the McKinney Building served in Columbia's history.

Staff anticipates utilizing a similar process when the John W. "Blind" Boone home was acquired regarding future uses and proposed improvements to the building. A committee consisting of community members and local historians was established who after conducting numerous meetings, developed potential options and eventually, presenting a proposed



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701 East Broadway, Columbia, Missouri 65201

plan to City Council with their recommendations for how the building will be used and outlining specific improvements. This also included operational plans and identified funding resources for improvements and operational needs.

Staff has inspected the facility and there are no identifiable requirements for structural or mechanical repairs, however, funding is set aside in the project to be used as needed.

Fiscal Impact

Short-Term Impact: \$1,700,000

Long-Term Impact: City anticipates working with a partner organization to manage the building in future years. These final operation costs to be determined.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Inclusive Community, Secondary Impact: Resilient Economy, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

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

Legislative History

Date	Action
NA	NA

Suggested Council Action

If Council concurs, approve the legislation approving the acquisition of property located at 411 E. Broadway and appropriating the funds to the project.