

# Provo City

Staff Memorandum

## Memo Title

<p><b>Department Head</b> David Walter 852-6167</p> <p><b>Presenter</b> David Walter 852-6167</p> <p><b>Required Time for Presentation</b> 30 minutes</p> <p><b>Is This Time Sensitive</b> Yes</p> <p><b>Case File # (if applicable)</b></p>	<p><b>Purpose of Proposal</b></p> <ul style="list-style-type: none"><li>• To purchase an option from Brixton Capital to keep the former Sears building off the market until January 2019</li></ul> <p><b>Action Requested</b></p> <ul style="list-style-type: none"><li>• Approval of a resolution of \$350,000.00 from fund balance in Fund 101</li></ul> <p><b>Relevant City Policies</b></p> <ul style="list-style-type: none"><li>• Pursue economic development initiatives</li><li>• Provide quality customer service</li><li>• Be fiscally prudent</li><li>• Eliminate blight</li></ul> <p><b>Budget Impact</b></p> <ul style="list-style-type: none"><li>• \$350,000 from Fund 101 General Fund balance</li></ul> <p><b>Description of this item (at least 2 paragraphs)</b></p> <p>.</p> <ul style="list-style-type: none"><li>• For some time, Provo City Administration has been looking to provide a better working environment for its Police and Fire employees. Provo City's Police Department is severely constrained by a lack of space, with our detectives using former jail cells as offices. Most importantly, the current building is not seismically sound. In the most basic terms, this means in the event of a moderate earthquake event, there is high probability of major property damage and loss of life for both emergency responders and critical personnel as a result from a failing structure.</li></ul>
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- This November, Provo City will be adding an initiative to the ballot to help fund the construction of a new Public Safety facility and City Hall. Staff is evaluating three options for the public to provide input: Building a new City Hall at the existing location; Refurbishing the existing City Hall; or moving City Hall to a new location.
- Previously, the Administration seriously considered the purchase of the former Ancestry.com building as a replacement City Hall. Ultimately, it was decided that it would be too cost prohibitive to acquire the complex and retrofit it to be a new City Hall. However, there is another vacant space within Provo that could be utilized as a new City Hall.
- The former Sears building at Provo Towne Center mall is 124,000 square feet and could be converted into office space. Brixton Capital is willing to keep the property off the market while the City completes its evaluation process. The price for a purchase option on the building and its associated parking is \$350,000. This equates to approximately 5.6% of the value of the property. If Council authorizes the acquisition of the option, the \$350,000 would be applied to the purchase price of the property if the City of Provo decides to buy the property in December for a new City Hall facility. If the City opts not to complete the purchase, the City would forgo the money.
- Staff is available for any questions

