

AGENDA City of Richland Parks and Recreation Commission #5-2013 Richland City Hall ~ 505 Swift Boulevard ~ City Council Chambers Thursday, May 9, 2013, 7:00 PM

Commission Members: Chair Gutierrez, Vice Chair Jones, Doran, Valentino, Katipamula, Bern, Beck, Richards Liaisons: Council Member Kent, Alternate Council Member Anderson

Welcome

Pledge of Allegiance

Roll Call

Approval of May 9, 2013, Agenda

Approval of April 11, 2013, Minutes

Council Liaison Report

Recreation Report

Parks and Facilities Report

Public Comments

Presentations

1. Mid-Columbia Fisheries Enhancement Group (10 Minutes)

New Business:

- 1. Shoreline Management Development Plan Review & Recommendation Construction of Four Private Boat Docks (SM1-2013) (Jeff Rolph)
- 2. Wright Street Fire Station Surplus (Joe Schiessl)
- 3. Report from Walkability Subcommittee (Nancy Doran)
- 4. Naming of the Howard Amon Tennis Courts (Joe Schiessl)

Commission Comments

Adjournment

The Next Parks and Recreation Commission Meeting is Thursday, June 13, 2013

THIS MEETING IS BROADCAST LIVE ON CITYVIEW CHANNEL 13 AND ON WWW.CI.RICHLAND.WA.US/CITYVIEW Richland City Hall is ADA Accessible with Access and Special Parking Available at the Entrance Facing George Washington Way. Requests for Sign Interpreters, Audio Equipment, or Other Special Services Must be Received 48 Hours Prior to the Meeting Time by Calling the City Clerk's Office at 509-942-7388.



MINUTES Richland Parks and Recreation Commission Meeting #4-2013 Richland City Hall – 505 Swift Boulevard – Council Chambers Thursday, April 11, 2013 ~ 7:00 pm

CALL TO ORDER:

Chair Gutierrez called the meeting to order at 7:00 pm.

ATTENDANCE:

Chair Gutierrez, Vice Chair Jones, Commissioners Doran, Katipamula, Beck, Bern and Richards were present. Commissioner Valentino was excused. Also in attendance were Council member Anderson, Parks and Recreation Director Schiessl and Parks and Recreation Managers Pinard and Strand.

APPROVAL OF THE APRIL 11, 2013, AGENDA:

Nancy Doran **moved** to approve the April 11, 2013. Vice Chair Jones **seconded** the motion. Motion carried.

APPROVAL OF THE March 14, 2013, MINUTES:

Nancy Doran **moved** to approve the March 14, 2013, minutes as presented. Shanta Katipamula **seconded** the motion. Motion carried.

COUNCIL LIAISON REPORT:

Council member Brad Anderson welcomed the public. Mr. Anderson reported that the City Council approved the recommendation to move forward with the Master Plan for the Unnamed Park at the corner of Westcliffe and Gala Way.

RECREATION REPORT:

Parks and Recreation Manager Laurel Strand reported that the NSA Ice Breaker Youth Softball Tournament on April 12 -14, will play host to 143 teams that will occupy the Columbia Playfields, Horn Rapids Athletic Sports Complex and Hanford High School softball fields. Ms. Strand noted that a Streetscape Master Plan effort is underway and staff will host an open house for public comments on Tuesday, April 23, at the City Council Workshop (Part 1 of 2);and on Wednesday, April 24, at the Richland Community Center at 6:00 pm. And on Tuesday, May 28, the Council Workshop will be (Part 2 of 2) for the Master Plan Streetscape. Also, Ms. Strand invited the commissioners to attend the Arbor Day Celebration on April 26, 1:00 pm at John Dam Plaza for the planting of 10 trees. Ms. Strand indicated that the Streetscape Master Plan will be presented at the City Council Workshop on Tuesday, April 24 (part 1 of 2); on Wednesday, April 24 at the Richland Community Center and on Tuesday, May 28, the City Council Workshop (part 2 of 2).

PUBLIC COMMENTS:

Shelly Scott, 308 Barth, voiced her concerns regarding the proposed Community Gardens at Barth Park.

PRESENTATIONS:

Josh Hopwood – Columbia River Disc Golf Club – presented an overview of the club accomplishments and disc golf events held at James Lawless Park. Mr. Hopwood explained what the members have accomplished to date with the clean-up process and preparation for public use.

UNFINISHED BUSINESS:

None

NEW BUSINESS:

1. Park Partnership Applications and Grant Applications

Parks and Recreation Manager Phil Pinard presented the annual Park Partnership Applications and Grant Applications. Mr. Pinard noted that this year there are four applications that were submitted: Columbia Center Rotary requesting \$5000, Tri-City Dog Park Association requesting \$5,000, North Leslie Groves Natural Area Restoration Group requesting \$3,500 and Columbia Basin BMX requesting \$5,000, for a total of \$18,500.

- Columbia Center Rotary, Michael Atchison: Purchase and install a slide and landscaping at the Goethals Nature Playground.
- Tri-City Dog Park Association, Bill Bell: Purchase and install two drinking fountains and a new ground surface cover at the high use area in the two acre section of the dog playground.
- North Leslie Groves Natural Area Restoration Group, Debbie Berkowitz: Purchase and install a split rail fence to replace the utility pole fence at the corner of Snyder St. and Harris Street.
- Columbia Basin BMX, Shawn and Maurine Meininger: Purchase and install: a new starting gate; safety fencing at the track corners, sprinklers, microphone, drain field and broadband equipment.

Vice Chair Jones asked Debbie Berkowitz if North Leslie Groves Natural Area Restoration Group received an additional \$1,500, for a total of \$5,000 would that enable them to purchase more mature native plants for their project and Ms. Berkowitz indicated yes.

Vice Chair Jones **moved** that the Parks and Recreation Commission recommend to the City Council, approval of the following Park Partnership funding requests: Columbia Center Rotary \$5,000; Tri-City Dog Park Association \$5,000; North Leslie Groves Natural Area Restoration Group \$5,000 and Columbia Basin BMX \$5,000. Dawn Bern **seconded** the motion. Motion carried.

Parks and Recreation Commission Minutes April 11, 2013

2. Barth Park Community Gardens

Parks and Recreation Manager Phil Pinard noted that the City had been contacted by The Richland Home Depot about an interest in a local project and from a list of projects that were presented, were interested in creating a community garden at Barth Park. Discussion ensued on other possible park locations and the goal to attract new users to utilize the park, such as gardeners. Other discussion items included the observation of use of the park.

Vice Chair Jones **moved** that the Parks and Recreation Commission recommend that the City Council identify Barth Park as the location for the community gardens with continuing work to further develop it. Nancy Doran **seconded** the motion. Motion carried.

3. Revision to the John Dam Plaza Master Plan

Mr. Pinard indicated that in 2006, City Council approved the Master Plan for John Dam Plaza. Implementation of the Master Plan began in 2011, with the construction of the restroom building and in 2012, and the addition of an art sculpture. In March 2013, the Parks and Recreation Department received \$48,000 from the Business License Reserve Funds to construct sidewalks within the plaza. Recent improvements to George Washington Way eliminated the midblock cross walk in front of the Red Lion Inn. Staff is reviewing other sidewalk needs and locations at John Dam Plaza and has prepared a revised Master Plan which shows the proposed locations. These changes were reviewed with the Commission at their March 28th workshop.

Nancy Doran **moved** that the Parks and Recreation Commission recommend that the City Council adopt the revised Master Plan of John Dam Plaza as identified in Attachment 1. Dawn Bern **seconded** the motion. Motion carried.

4. Allocation of Park Reserve Funds for the Columbia Point Basin Debris Barrier

Mr. Pinard indicated that for the past several years the City and the Richland Yacht Club have explored options to improve or replace the existing debris barrier at the north opening of the boat basin. The Yacht Club has received many quotes from various vendors and engineers, but they were costly. In 2012, the Yacht Club received a proposal from River Ranch, (Inspired Iron) to fabricate and install a debris cable system between the existing H beam piles using stainless steel cable. The cable barrier would be anchored to the shore on both sides of the opening. The quote to perform the work is \$48,000. This proposal is very similar to the Watershed Company Phase 1 proposal. The Yacht Club and City will partner in this project as both parties are affected by the debris entering the boat basin.

Parks and Recreation Manager Phil Pinard recommended the allocation of \$15,000 of Undesignated Park Reserve Funds and \$20,000 of the Park District 3 funds to the Columbia Point Boat Basin debris barrier toward the project with the Richland Yacht Club paying the remainder.

Vice Chair Jones **moved** that the Parks and Recreation Commission recommend that the City Council allocate the maximum amount of \$35,000 out of the Undesignated Park Reserve Funds and remainder out of Park District 3 funds toward the improvements of the

north end Columbia Point Basin Debris Barrier taken into account the funding projections of the undesignated park fund. Nancy Doran **seconded** the motion. Motion carried.

PARKS AND RECREATION COMMISSION COMMENTS:

- Samantha Beck-Encouraged everyone to get out and enjoy the parks.
- Barry Richards-Recommended the use of sunscreen while enjoying outdoor activities.
- Shanta Katipamula- Asked to be excused from the April Workshop and May Meeting.
- **Dawn Bern**-Noted the increase of attraction to many of the local competitive sports.
- **Nancy Doran**-Encouraged everyone to get involved with the many choices of volunteer opportunities. She is overwhelmed with the current volunteer efforts going into making these parks work.
- **Greg Jones** Applauded staff for their planning and participation at the Howard Amon Tennis Court Grand Re-Opening.
- **Maria Gutierrez** Recommended the use of the Richland Parks and Recreation Facebook page as a great tool to find activities. Asked to be excused from the May Meeting.

The meeting was adjourned at 8:57 pm.

Reviewed by: Joe Schiessl, Parks and Recreation Director

Approved by: ______ Chair Maria Gutierrez, Richland Parks and Recreation TO: Parks and Recreation Commission

FROM: Joe Schiessl, Parks and Recreation Director

DATE: May 9, 2013

SUBJECT: SM1-2013 Staff Recommendation

STAFF RECOMMENDATION

That the Parks and Recreation Commission identify to the Planning Commission that there are no impacts to existing or planned parks, trails, open spaces or recreation areas for the proposed four private boat docks identified in file number SM1-2013.

FISCAL IMPACT

There will not be a fiscal impact to the City as a result of this application.

BACKGROUND

The City's municipal code allows for comment by the Parks and Recreation Commission prior to a public hearing before the Planning Commission for Shoreline Substantial Development Permits. The specific projects are detailed in the May 9, 2013 memorandum from Senior Planner Jeff Rolph.

ANALYSIS

Parks and Recreation Staff recommend that the Parks and Recreation Commission identify that there will be no impact to existing or planned parks, trails, open space or other recreation areas as a result of the proposed projects. The Columbia River shoreline between Ferry Road and Sprout Road is too steep for trail development and safe and accessible public access.

MEMORANDUM

COMMUNITY DEVELOPMENT DEPARTMENT

Development Services Division

- TO: Parks & Recreation Commission
- FROM: Jeff Rolph, Senior Planner
- SUBJ.: Shoreline Management Development Plan Review & Recommendation Construction of Four Private Boat Docks (SM1-2013)
- DATE: May 9, 2013

RECOMMENDATION

Staff recommends that the Parks and Recreation Commission review the proposed development plans and forward a recommendation with any comments to the Planning Commission prior to their public hearing on the proposal at their May 22, 2013 meeting.

MOTION FOR CONSIDERATION

I move that after reviewing the proposed shoreline development plans for private docks along the Columbia River between Ferry Road and Sprout Road, the Parks and Recreation Commission determined that the private dock development would not have an impact on existing parks plans or facilities.

BACKGROUND

Several property owners have submitted applications for shoreline management substantial development permits to allow for construction of private boat docks in the Columbia River adjacent to their homes that are located in North Richland between Ferry Road and Sprout Road. As the fair market values (including material and labor) of each of the proposed docks will exceed \$10,000, the projects are not exempt from the shoreline management substantial development permit review process. A public hearing and review of the development is scheduled for the May 22, 2013 meeting of the Planning Commission.

The City's adopted Shoreline Master Plan, Richland Municipal Code (RMC) Title 26, provides for Park and Recreation Commission review and recommendation on all shoreline permit applications prior to the Planning Commission conducting a public hearing and taking action on the application. The Parks and Recreation Commission review is intended to determine what if any impacts the proposed developments would have on parks plans and facilities.

PROJECT DESCRIPTION

The development involves construction of a four private docks, three of which will be replacing existing structures. The three single owner docks will be approximately 160 square feet and the joint use (3-family) private dock located near Vista Ct. will be approximately 318 square feet. All of the docks would have 4-foot wide access ramps ranging in length from 34-feet to 43-feet, a 4-foot by 4-foot concrete pier to anchor the access ramps and a dock anchoring system consisting of a maximum of 4 piles or alternatively 13 submerged concrete blocks. Access down to the docks from the adjoining homes would be by way of un-surfaced meandering trails with the exception of the dock proposed for 2550 Harris Avenue which may include masonry block steps if approved by the Corps of Engineers through a separate real estate license review and approval process.

The proposed docks have been designed to meet the strict requirements of the Corps of Engineers McNary Shoreline Management Plan that was approved in January of 2012. The applicants, in addition to the shoreline permit from the City will be required to obtain permits and approvals from the Corps of Engineers, Washington Department of Fish and Wildlife and Washington Department of Natural Resources.

The Corps of Engineers McNary Shoreline Management Plan is available for review at the following link:

http://www.nww.usace.army.mil/Missions/Projects/McNaryShorelineManagementPlan.aspx .

The Plan addresses rules and regulations including requirements for permitting private use of public lands managed by the Corps of Engineers. The plan was approved after several years of public meetings. The new design criteria that will be reviewed and approved by the Corps of Engineers includes specific requirements for cultural resource protection, restoration of riparian habitat if impacted and specific construction requirements for docks and associated access ramps to ensure that impacts to endangered fish species are mitigated.

The area located between Ferry Road on the south and Sprout Road on the north is the only area within the McNary pool in Richland that is designated a "Limited Development Area" where individual private boat dock facilities would be allowed. Many of the docks in this area are considered "grandfathered" as they were already present prior to the development of the initial McNary Lakeshore Management Plan in 1980.

CONFORMANCE TO SHORELINE PROGRAM AND PARKS PLANS

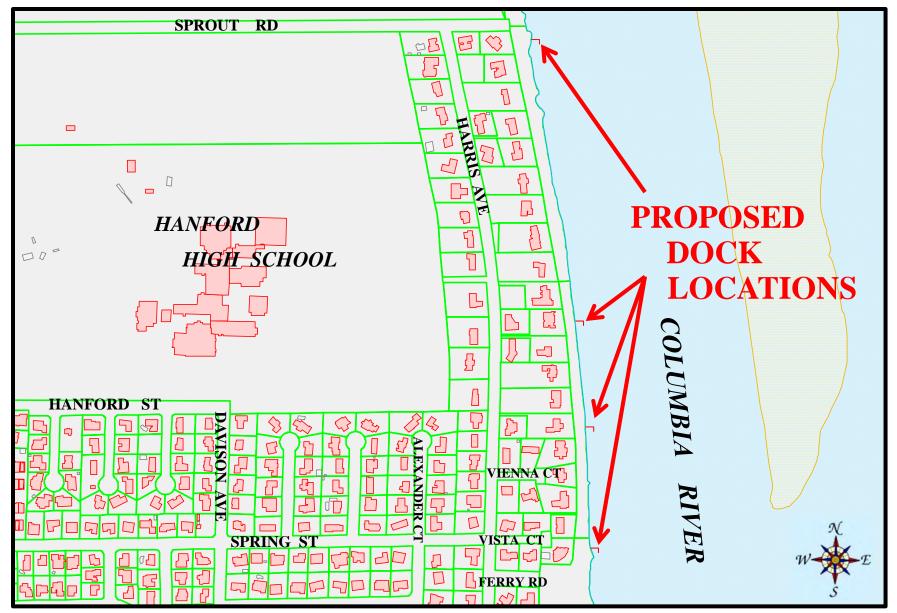
The shoreline in the vicinity of the project has been classified as an Urban Shoreline Environment. The regulations for development in an Urban environment are intended to insure optimum utilization of shorelines in a manner that enhances and maintains the shorelines for a multiplicity of urban uses and provides for maximum public access and circulation. The proposed docks are considered permitted uses in an Urban Shoreline Environment.

The shoreline in this area is steeply sloped with no formal public access or other public improvements currently existing or planned. Due to the steep slopes in this area, the riverfront trail ends at Ferry Road going north, ties into Harris Avenue and then picks up again as a separated trail along the river at Sprout Road behind the WSU Tri-Cities campus. Parks Department Staff reviewed the proposed development (Attachment 2) and did not see any conflicts with existing parks plans or facilities.

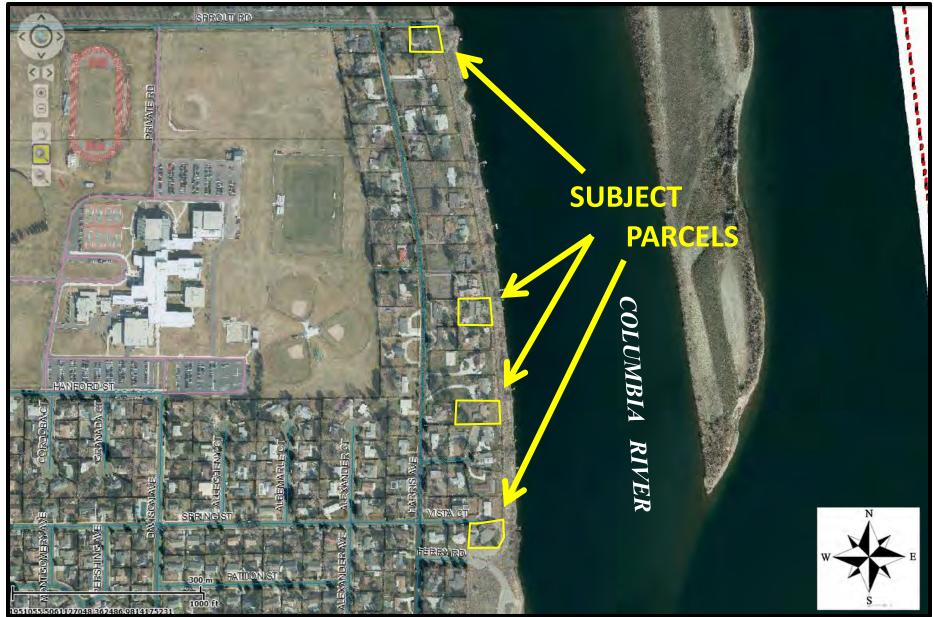
The improvements authorized by the Corps of Engineers will limit the actual amount of private improvements that can occur on the Corps owned property. Compliance with the conditions of all required permits and approvals should ensure that the proposed private docks will have negligible impact on the shoreline resources in the project vicinity.

Attachments

- 1. Vicinity Map
- 2. Parks Department Staff Review Comments
- 3. Oblique Aerial Views
- 4. Development Plans



SM1-2013 VICINITY MAP



SM1-2013 VICINITY MAP

Rolph, Jeff

From: Sent: To: Cc: Subject: Pinard, Phil Wednesday, April 24, 2013 1:20 PM Rolph, Jeff Bryant, David RE: North Richland Private Docks

Jeff, we have no issues with the proposed docks. The proposed four new/replacement docks do not impact or effect any aspect of our Parks, Trails and Open Space Master Plan. This section of federal leased land is too steep to extend the Riverfront Trail through. There are no other public recreation activities associated with this area. We assume that the docks and steps will be reviewed and approved by the Corps of Engineers.

Phil

From: Rolph, Jeff Sent: Tuesday, April 23, 2013 1:50 PM To: Pinard, Phil; Bryant, David Subject: North Richland Private Docks

Phil/Dave -

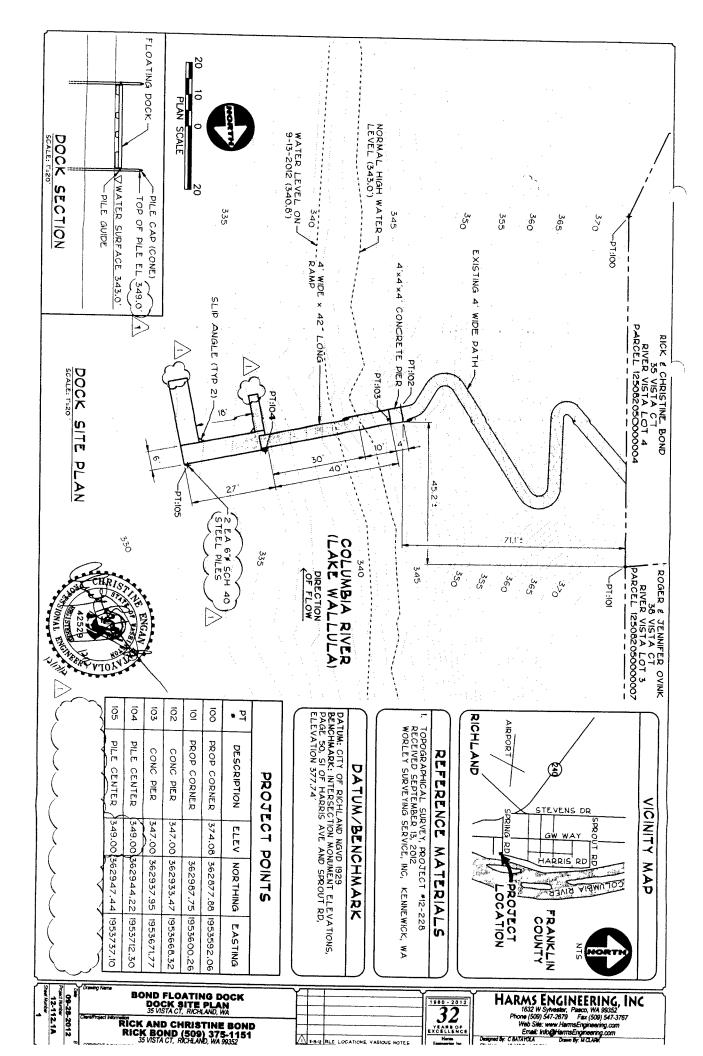
Attached are plans for 4 new or replacement private docks that are proposed for the area between Ferry Road and Sprout Road in North Richland. They have applied for the required Shoreline Management Substantial Development Permit. The 3 most northerly docks are for single owner use and the southerly most dock at the end of Vista Ct. would be a community dock shared by 3 adjoining property owners.

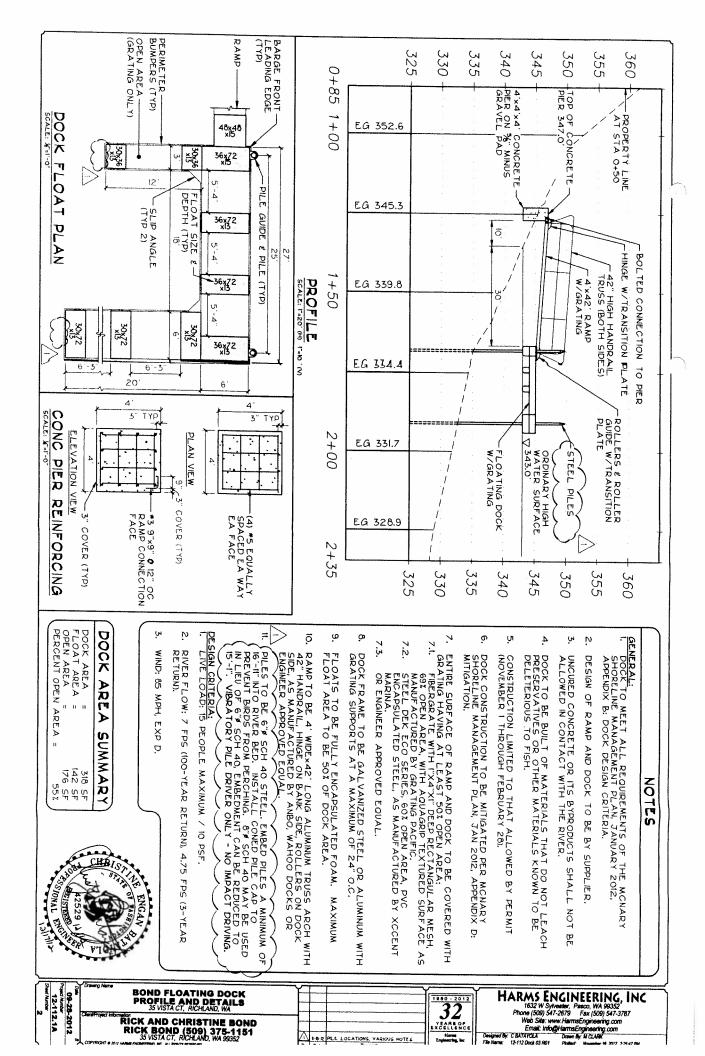
The 3 single use docks are essentially the same design, however the one located behind the home at 2550 Harris (Shay Dock) is proposing the construction of stairs down to the dock from his property (see attached Shay Stairway Plan and Desciption) while the other 3 just plan to use unsurfaced meandering access trails. I am not sure if this raises any issues with your department.

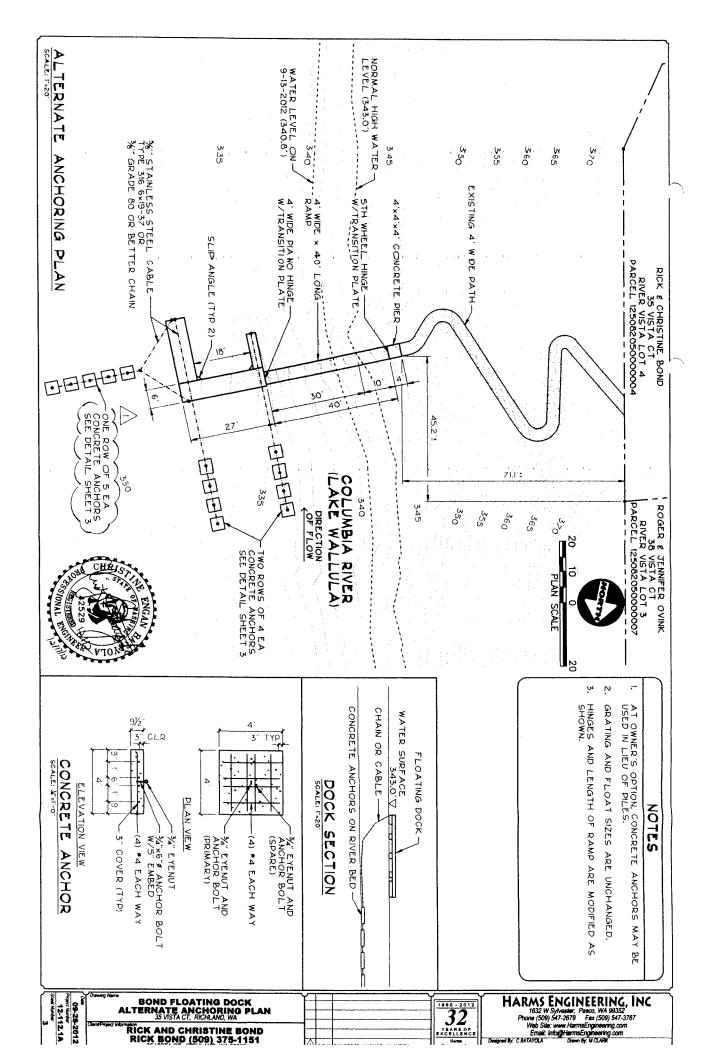
I would appreciate your review of the proposed docks to determine if you see any conflicts with the City's adopted Parks, Trails and Open Space plans and/or if you see any other issues regarding public recreation that should be addressed as part of the Shoreline Permitting process. If possible I would appreciate review comments in writing so I can attach it to the memo I will be sending to the Parks and Recreation Commission for their meeting on May 9th.

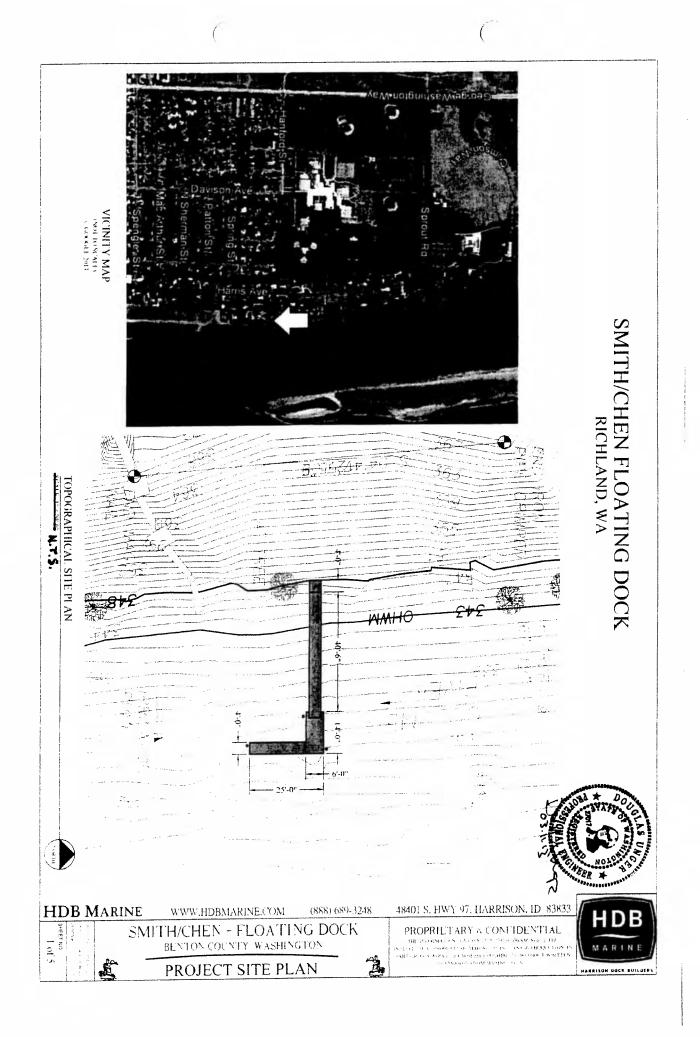


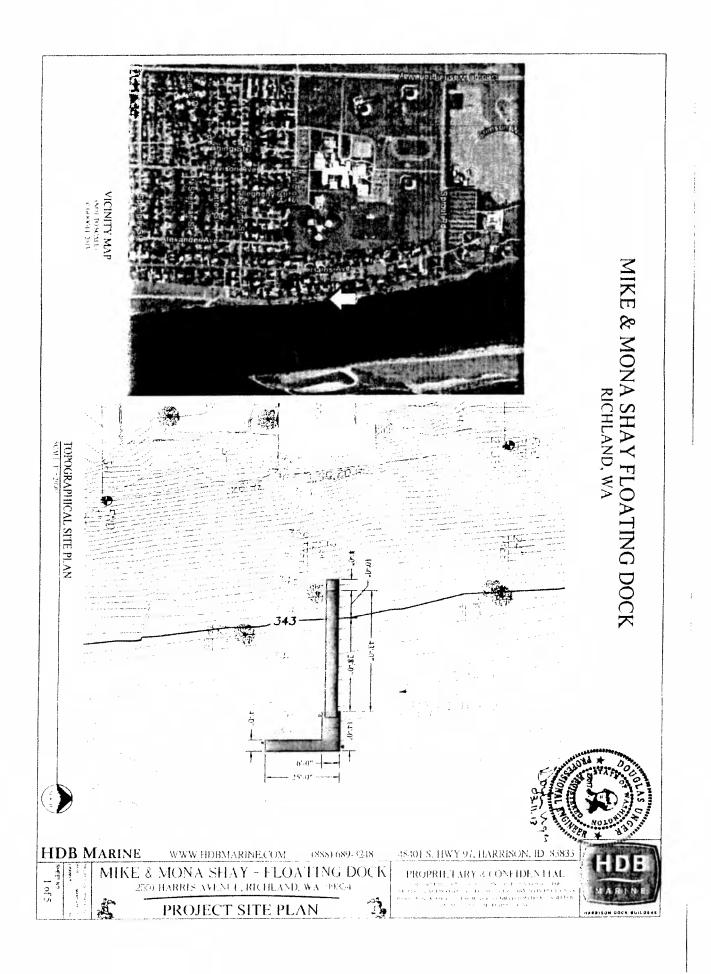


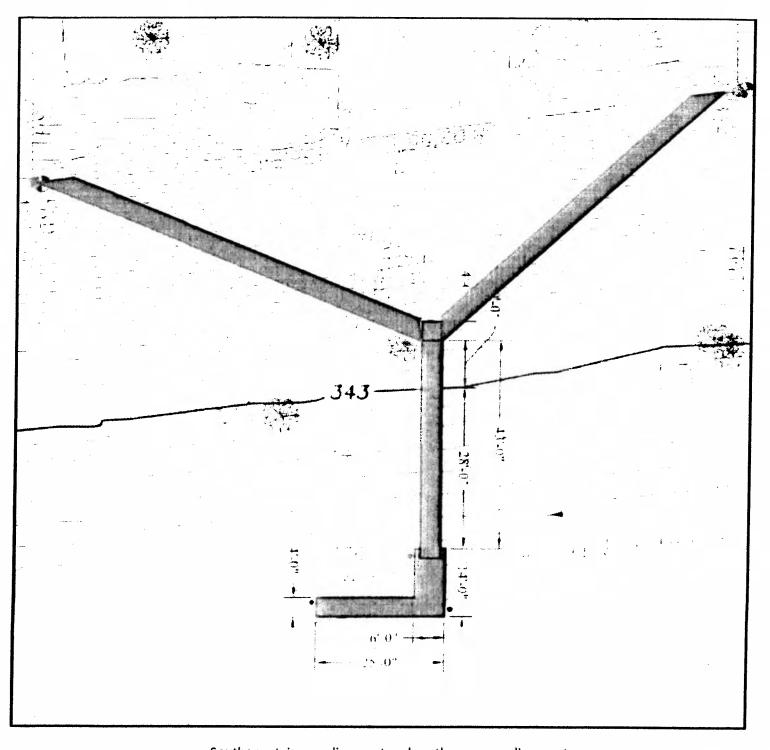






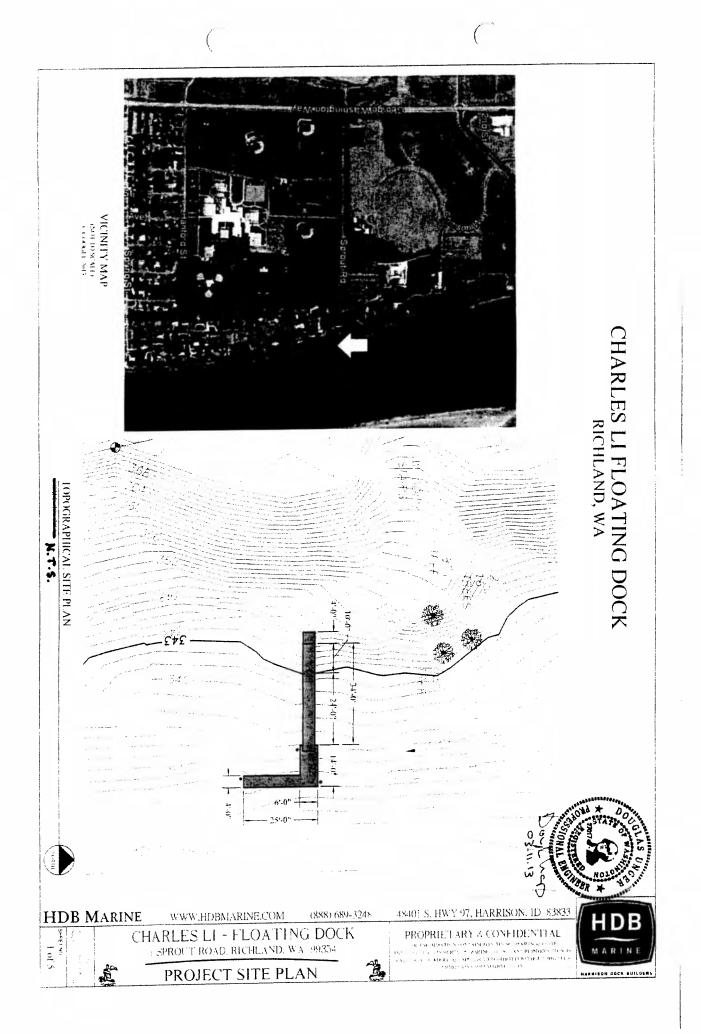


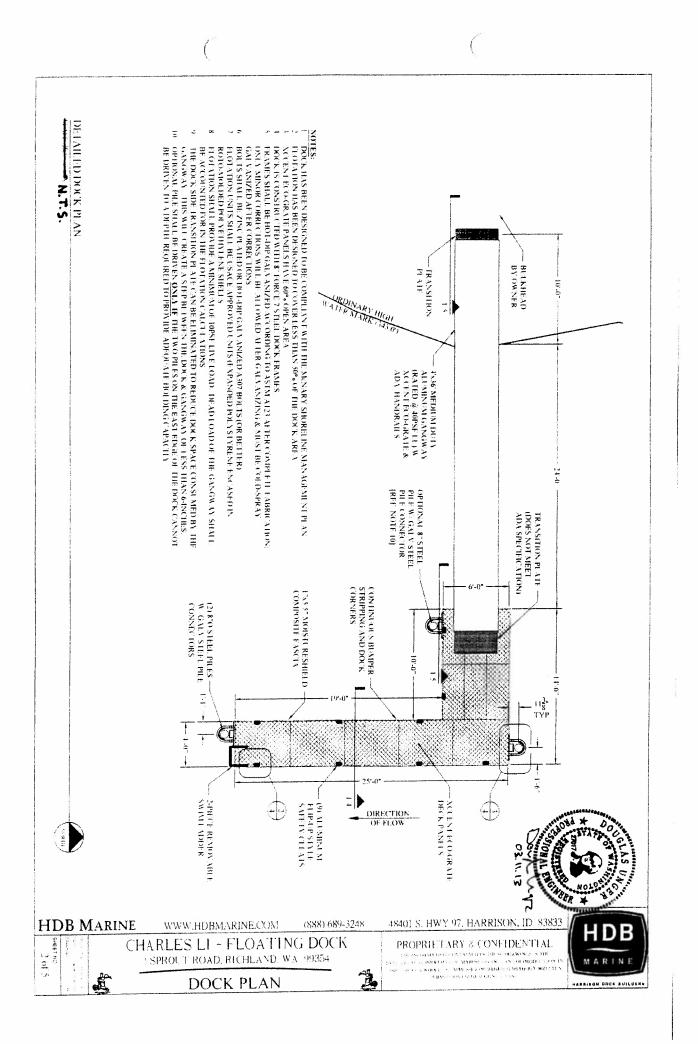


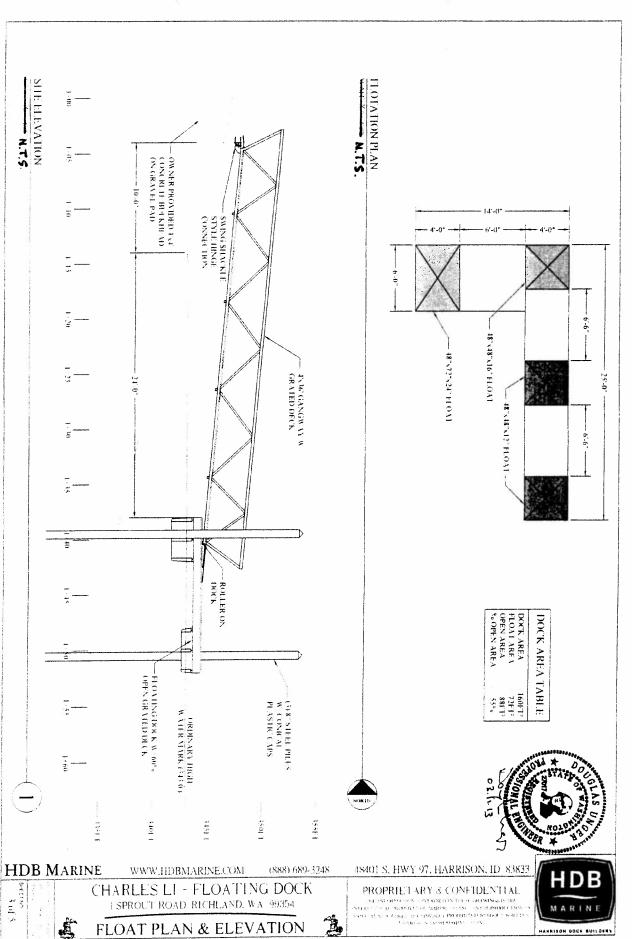


Southern staircase alignment and northern ramp alignment Shay Dock 2550 Harris Avenue, Richland, Washington

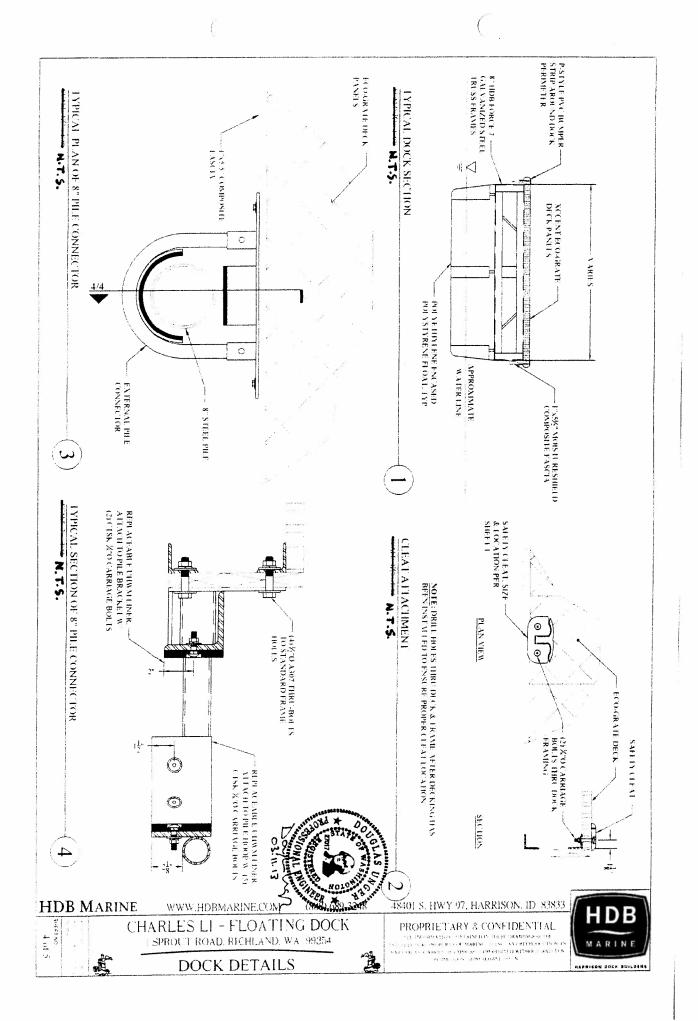
Stairs to the dock will be constructed by minimally hand excavating cobble, gravel, and sand and hand emplacing un-mortared natural stone or landscape pavestones to form steps from the adjacent land owners South and North corners of the property. As outlined in the SMP natural colors like tan or brown materials will be used to blend into the Natural background. Materials excavated for the steps will be used to provide a level surface between the steps.

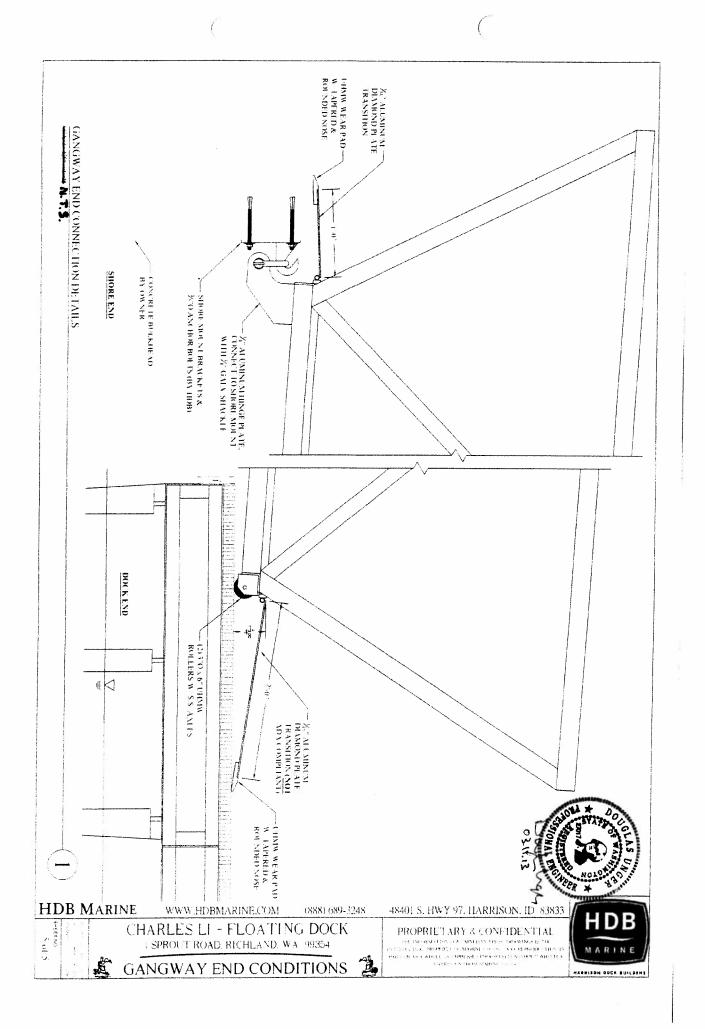


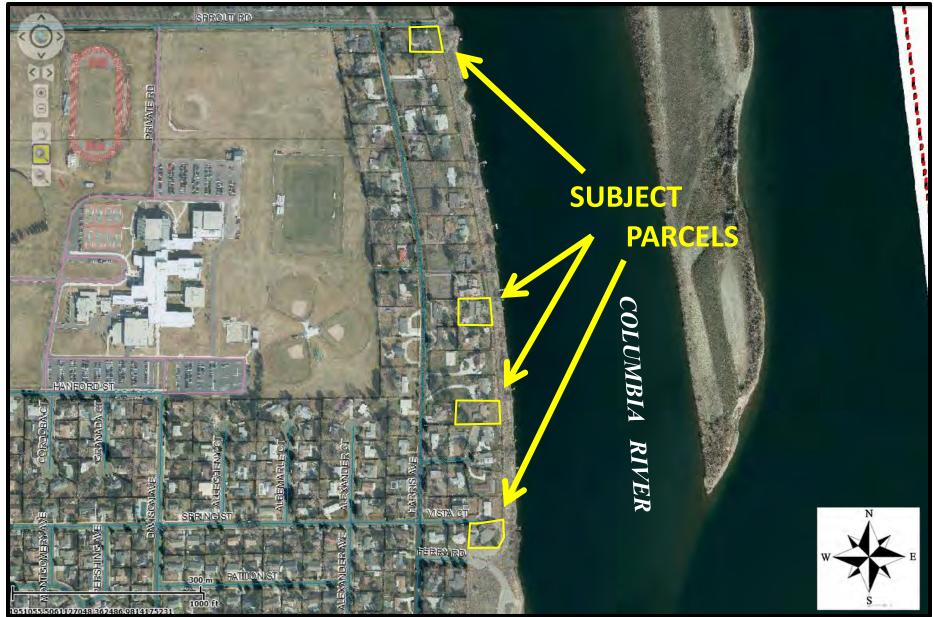




(







SM1-2013 VICINITY MAP

Rolph, Jeff

From: Sent: To: Cc: Subject: Pinard, Phil Wednesday, April 24, 2013 1:20 PM Rolph, Jeff Bryant, David RE: North Richland Private Docks

Jeff, we have no issues with the proposed docks. The proposed four new/replacement docks do not impact or effect any aspect of our Parks, Trails and Open Space Master Plan. This section of federal leased land is too steep to extend the Riverfront Trail through. There are no other public recreation activities associated with this area. We assume that the docks and steps will be reviewed and approved by the Corps of Engineers.

Phil

From: Rolph, Jeff Sent: Tuesday, April 23, 2013 1:50 PM To: Pinard, Phil; Bryant, David Subject: North Richland Private Docks

Phil/Dave -

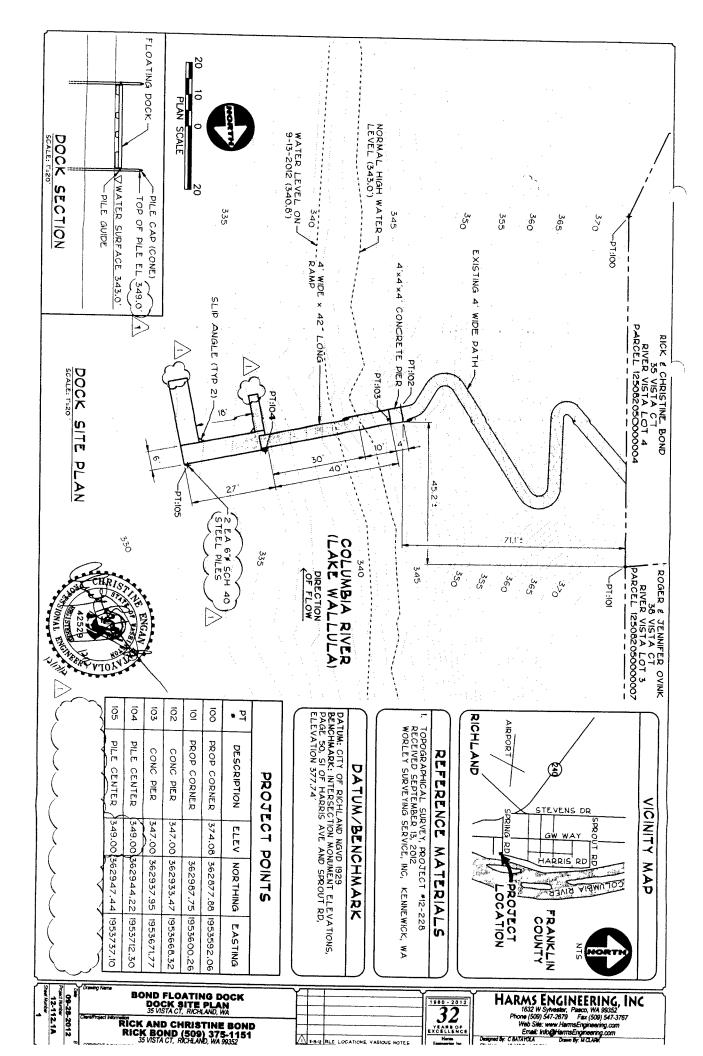
Attached are plans for 4 new or replacement private docks that are proposed for the area between Ferry Road and Sprout Road in North Richland. They have applied for the required Shoreline Management Substantial Development Permit. The 3 most northerly docks are for single owner use and the southerly most dock at the end of Vista Ct. would be a community dock shared by 3 adjoining property owners.

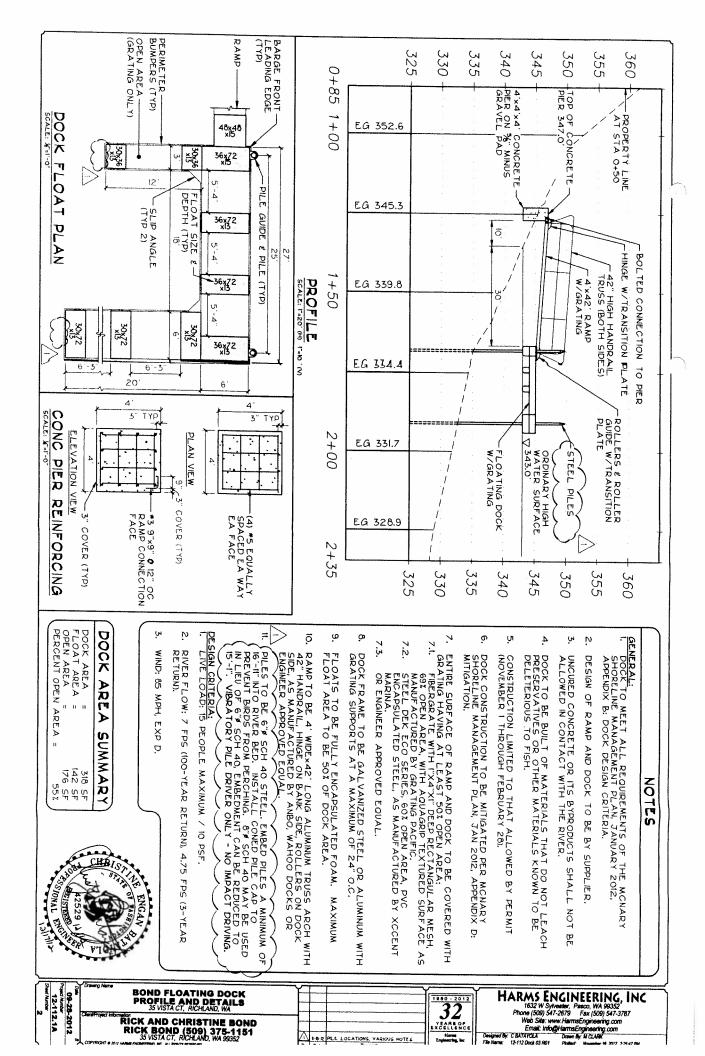
The 3 single use docks are essentially the same design, however the one located behind the home at 2550 Harris (Shay Dock) is proposing the construction of stairs down to the dock from his property (see attached Shay Stairway Plan and Desciption) while the other 3 just plan to use unsurfaced meandering access trails. I am not sure if this raises any issues with your department.

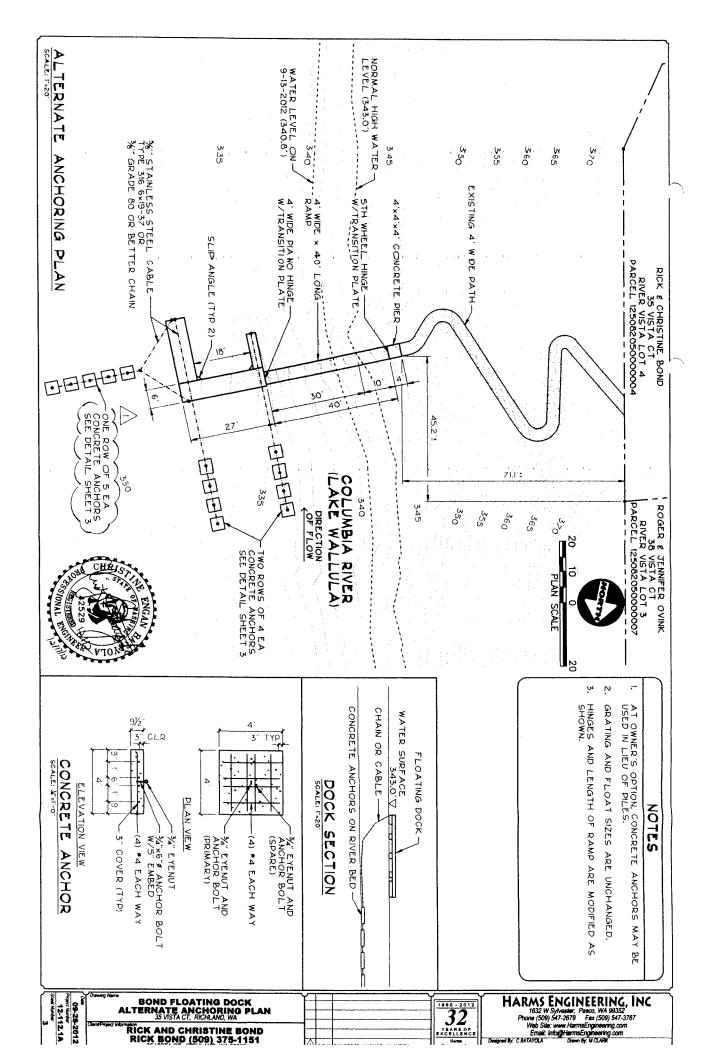
I would appreciate your review of the proposed docks to determine if you see any conflicts with the City's adopted Parks, Trails and Open Space plans and/or if you see any other issues regarding public recreation that should be addressed as part of the Shoreline Permitting process. If possible I would appreciate review comments in writing so I can attach it to the memo I will be sending to the Parks and Recreation Commission for their meeting on May 9th.

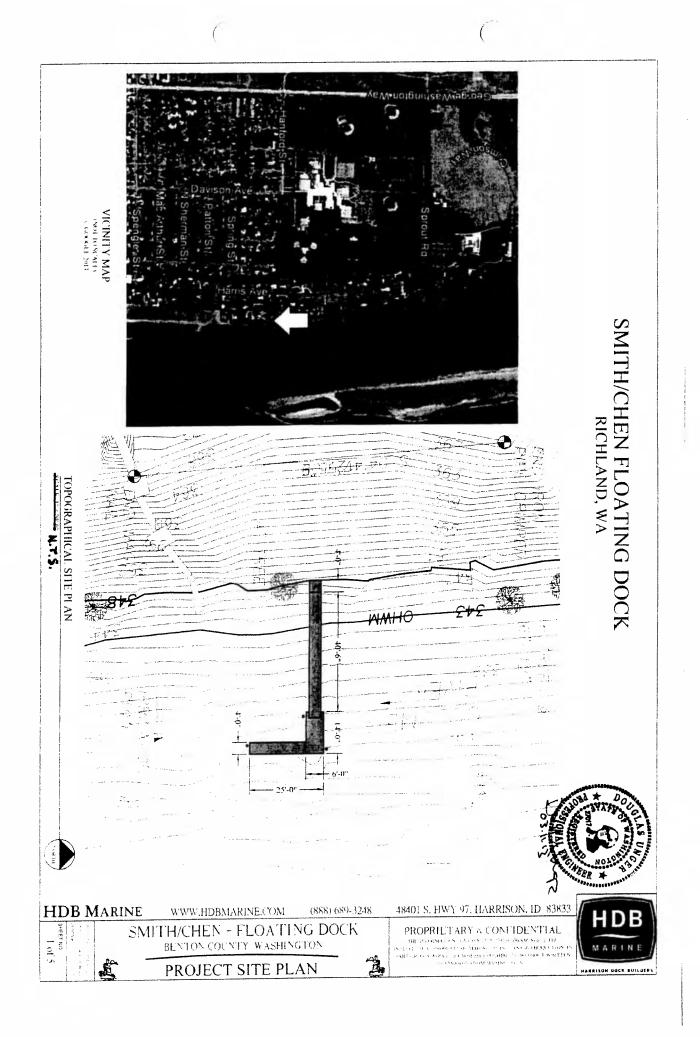


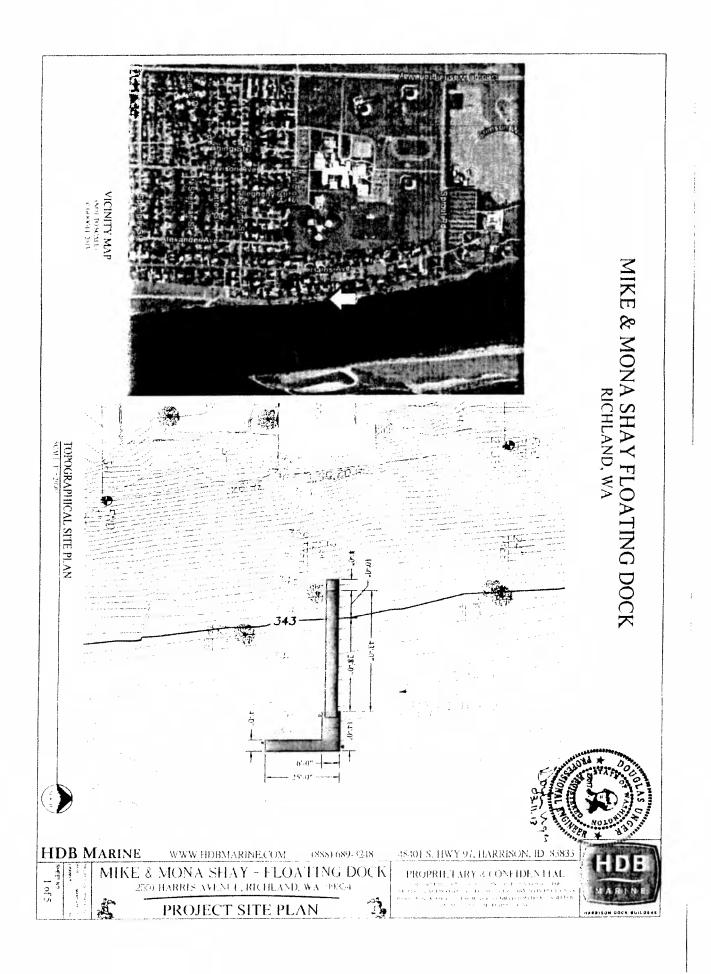


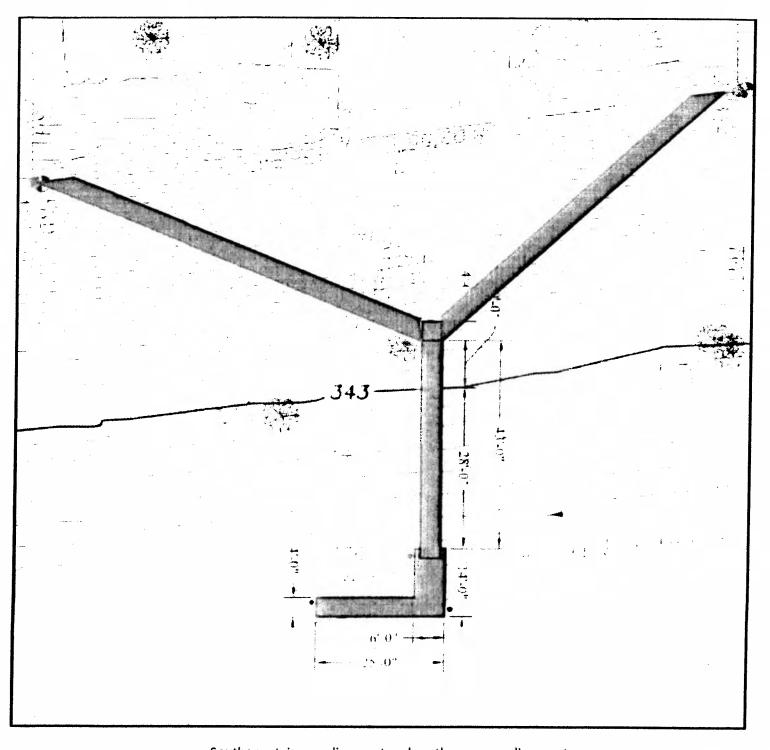






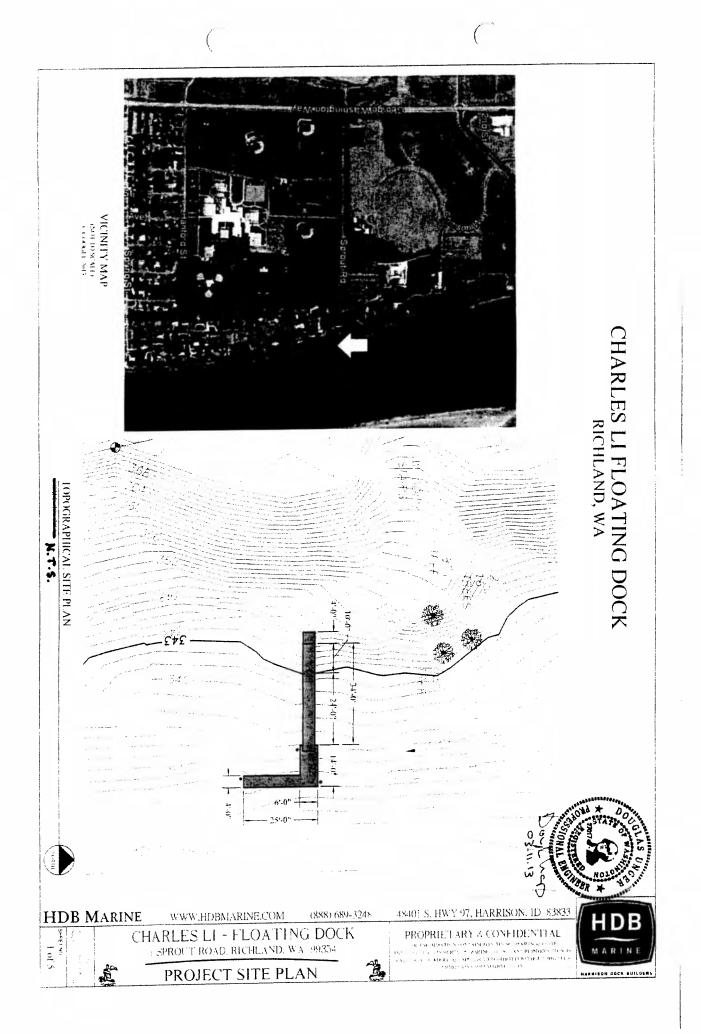


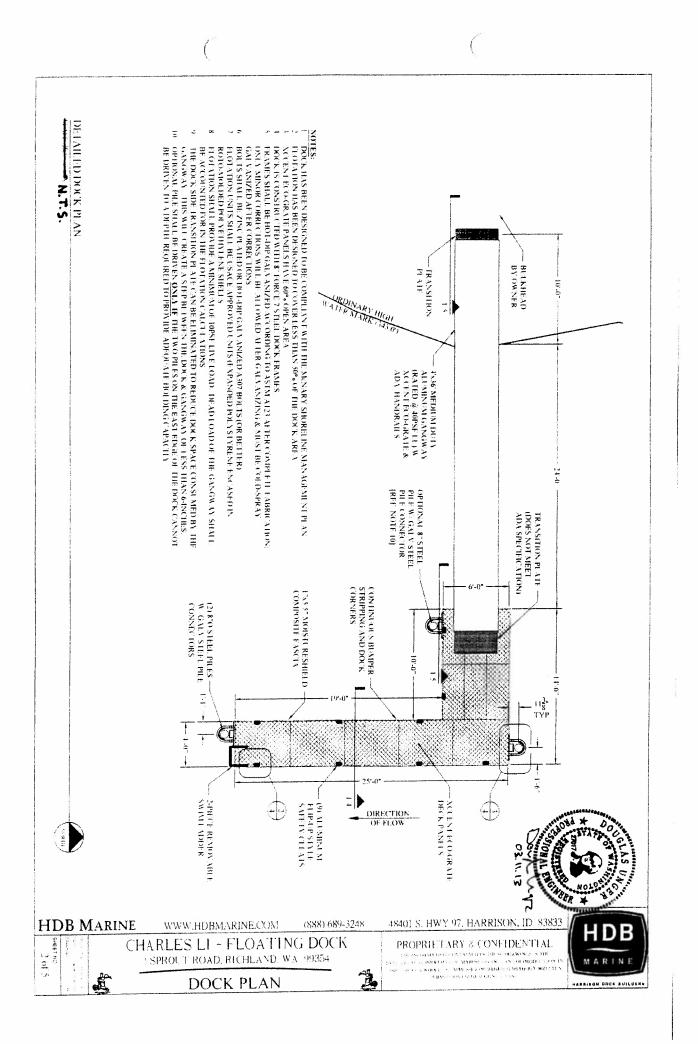


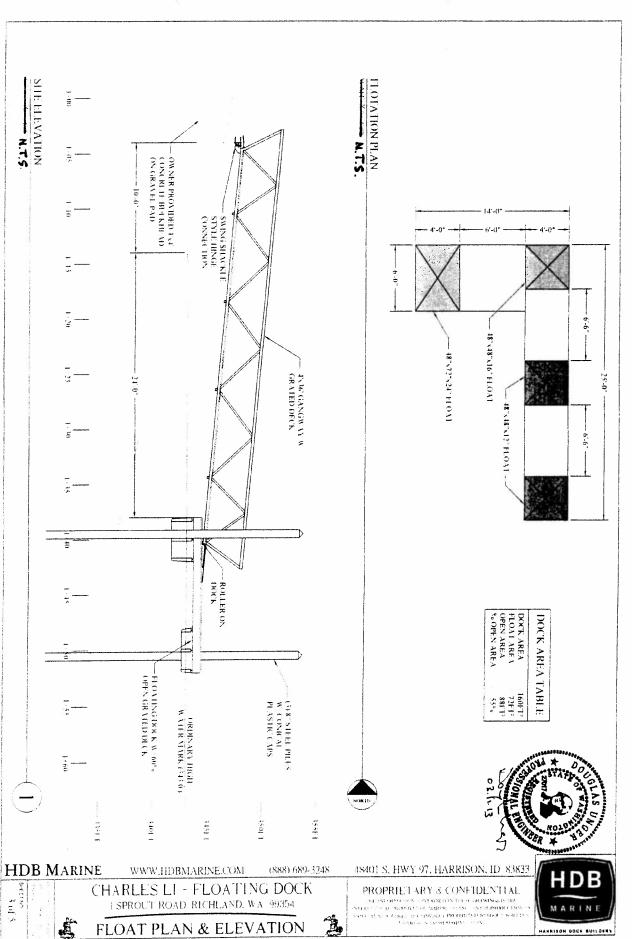


Southern staircase alignment and northern ramp alignment Shay Dock 2550 Harris Avenue, Richland, Washington

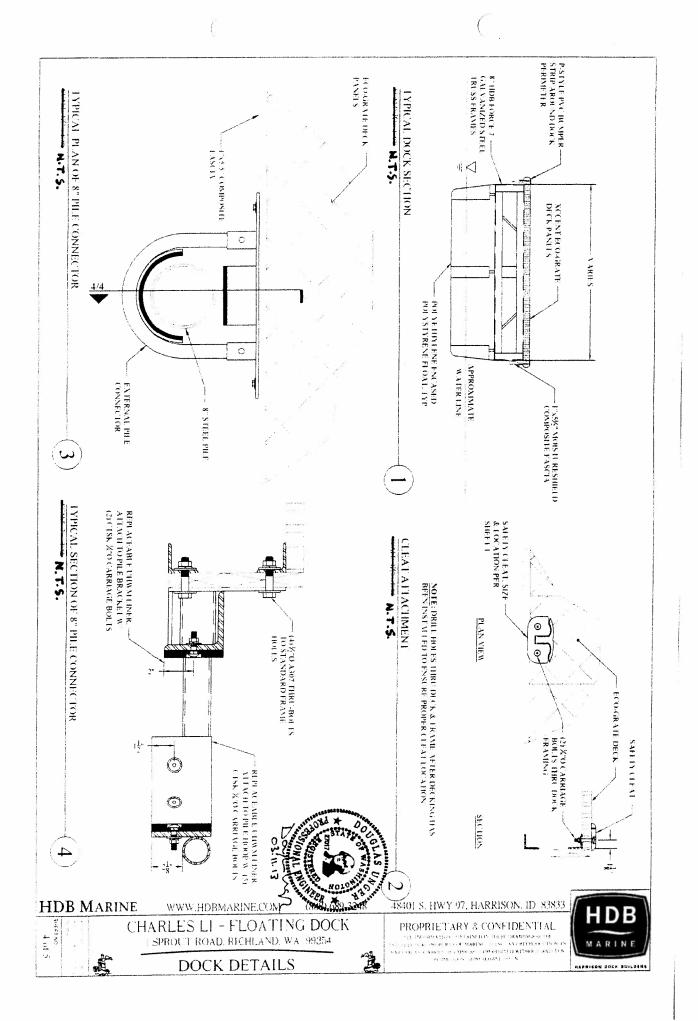
Stairs to the dock will be constructed by minimally hand excavating cobble, gravel, and sand and hand emplacing un-mortared natural stone or landscape pavestones to form steps from the adjacent land owners South and North corners of the property. As outlined in the SMP natural colors like tan or brown materials will be used to blend into the Natural background. Materials excavated for the steps will be used to provide a level surface between the steps.

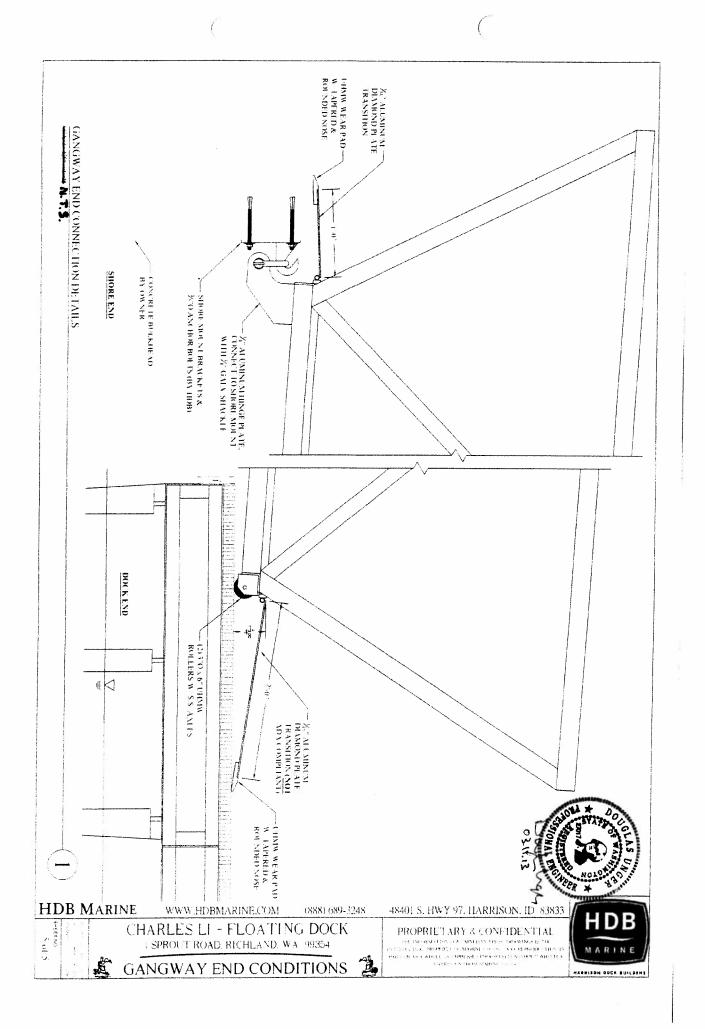






(





- TO: Parks and Recreation Commission
- FROM: Joe Schiessl, Parks and Recreation Director
- DATE: May 9, 2013
- SUBJECT: Declaring 507 Wright Street as Surplus to the City's Current and Future Needs

STAFF RECOMMENDATION

That the Parks and Recreation Commission, under the authority of RMC 3.06.030 recommend that the City Council declare the property located at 507 Wright Street commonly known as the Wright Street Fire Station surplus to the City's current and future needs.

FISCAL IMPACT

There will not be a fiscal impact to declare the facility surplus. There may be future, positive fiscal impact if the city sells or leases the facility at a market-based rate.

BACKGROUND

The City owns and manages a building located at 507 Wright Street (commonly known as the Wright Street Fire Station) at the southwest corner of Wright and Frankfort Streets. The facility was constructed in 1954 as a small, neighborhood fire station. The facility is no longer used as a fire station and has been used for several decades as a part-time preschool run by various public and private entities. The current operator is a parent cooperative and uses the facility approximately 7.5 hours per week. The City maintains the building, grounds and covers utility costs.

The building is 2,956 square feet on 19,238 square feet of property adjacent to Frankfort Park. The City has been approached by a local private Montessori school expressing an interest to lease then purchase the facility.

ANALYSIS

Negotiating a sale or lease of City property is a two-step process as outlined in RMC 3.06. The property must first be declared surplus to the City's current and future needs. Second, a lease or sale is negotiated using one of several possible solicitation methods. Per RMC 3.06.040, the Economic Development Committee, Planning Commission and the Parks and Recreation Commission are to forward recommendations to Council.

The structure, finishes and mechanical systems have not had significant upgrade and would require investment of approximately \$100 / square foot, or approximately \$300,000 to fully program the facility (for new activities beyond the existing 7.5 hours/week for preschool),

plus the addition of on-site staff at the fully burdened cost of approximately \$40,000 annually.

The City's existing Community Center can accommodate the existing preschool activity. Staff is attempting to bring new activities into the Community Center to reduce the median age of users and to fully implement the original "place for all ages" concept introduced in the construction bond.

It is staff's recommendation that the Wright Street Fire Station be declared surplus to the City's current and future needs based on the limited, existing use of the facility and the significant investment in capital and on-going labor that would be needed to fully utilize the facility. City department heads have been consulted and there is not a current or anticipated future public need for this property and/or building.

RMC Chapter 3.06 SALE OR LEASE OF CITY REAL PROPERTY

3.06.010 Purpose – Policy – Objectives.

A. Purpose. The purpose of this chapter is to establish policies and procedures regarding the surplusing and the sale or lease of certain real property owned or otherwise controlled by the city.

B. Policy. It shall be the policy of the city to consider sale or lease of real property owned or controlled by the city when such property is determined to be surplus to the needs of the city, and where it is demonstrated to the satisfaction of the city council that sale or lease will best serve the public interest. For purposes of this chapter, the public interest will best be served when a transaction accomplishes one or more of the objectives listed in subsection (C) of this section.

C. Objectives. The purpose and policies of this chapter are intended to accomplish the following basic objectives, which should be achieved in a balanced manner to ensure that none are over-emphasized to the detriment of the others:

1. Stimulate the development of the city's economic base to provide employment opportunities and tax revenues for the city and other local taxing entities;

2. Meet the financial obligations resulting from prior property transactions of the city;

3. Provide capital for economic development purposes, for parkland operations (planning, acquisition, design, construction and maintenance and operation), and such other purposes as the council determines are necessary and appropriate; and

4. Provide a source of general revenue to the city over and above the tax yields from such real property. [Ord. 24-84].

3.06.020 Authority.

Whenever it is determined by the city council that it is in the best interest of the city that real property owned by the city should be sold or leased, the council may authorize the sale or lease and conveyance of such real property, upon any terms and conditions which it deems appropriate. In taking such action, the council may reserve, sell or lease mineral or other resources on any such real property separate and apart from the land in the same manner and upon the same terms and conditions as provided for in this chapter. [Ord. 24-84].

3.06.030 Declaration of surplus.

Prior to the sale or lease of any city-owned real property, the city council shall determine that the property is excess to the present and future municipal needs of the city.

A. In making such a determination, the council shall utilize the following criteria:

1. Conformance with the city's comprehensive plan as provided in RMC Title 23;

2. Recommendations from the economic development board and the physical planning commission, and, as deemed appropriate and requested by the council, recommendations from other city boards and commissions such as the utility advisory board and the parks and recreation commission;

3. Input from the public at a duly advertised public hearing;

4. Recommendations within the 1973 report prepared for the council by the land sale/lease policy committee entitled, "Proposed Policy for the Sale or Lease of Excessed City Owned Property," and adopted as a guideline by council by resolution (No. 64-84); and

5. Other forms of input determined appropriate or desirable by the council.

B. If the council determines the property to be no longer necessary for present and future municipal use, it may declare by resolution the property to be surplus. Upon making such declaration of surplus, the council may also make the following determinations:

- 1. Whether the parcel should be sold or leased;
- 2. Whether special consideration should be given to abutting land owners;

3. Whether special covenants or restrictions should be placed on the real property as a condition of sale or lease;

4. Whether the parcel should be sold or leased by sealed bid;

5. What formality of appraisal is necessary to set the minimum acceptable price to achieve reasonable value.

C. Upon declaration of surplus by the council, the city manager or designee shall undertake disposal of the parcel(s) in accordance with the council's directives. [Ord. 24-84].

3.06.040 Sale or lease procedures.

Sale or lease procedures may be initiated following one of two events: a determination by the city council that economic indicators favor sale or lease or upon specific request by a firm or individual to lease or purchase city property. In determining which process to utilize, the council shall give consideration to the findings and recommendation of the economic development board.

A. Sealed Bid Process. If the council requires the real property to be sold or leased upon competitive bids, the following procedures shall be utilized:

1. The city clerk shall give notice that the city will invite bids for purchase or lease of the property by one publication in the official newspaper of the city, posting in a conspicuous place in the City Hall and on the subject real property, and/or such other notification or advertising determined to be appropriate. The publication and posting shall be at least 10 calendar days before the final date for submitting bids;

2. Publication and posting for bids shall particularly describe the property or portion thereof proposed to be sold or leased, shall designate the place and the time of the bids to be opened, and shall set forth any terms and minimum price, if any, established by the council;

3. Bids shall be opened in public at the time and place stated; and

4. The council may reject any and all bids, or the bid for any one or more of the parcels included in the advertisement for bids, and reserves the right to waive any irregularities in the bid process.

B. Negotiation Process. The council may determine that property should be sold or leased through negotiations, either as a result of a specific request, or as a result of city-initiated advertising or other solicitation. In either event, sale or lease consideration shall proceed as follows:

1. All requests shall be directed to the city manager or his designee;

2. The city manager or his designee shall schedule the request for review and consideration by the economic development board, along with a report discussing the following:

a. Status of the surplus property;

b. Whether the property should be considered for public bid offerings;

c. Whether, and for what reason(s), sale or lease would be advantageous to the city; and

d. Any other special considerations which apply to and which will aid the board in considering the request;

3. The economic development board shall review the request and make findings, based on the policy and objectives and the criteria provided in this chapter, for the council's consideration;

4. The council shall act on the request, with due consideration to the findings and recommendation of the economic development board and, as appropriate, other boards, commissions, or individuals. [Ord. 24-84].

3.06.050 Conveyance procedures.

Upon receipt of an acceptable bid or negotiated offer for sale or lease of city real property, the city manager or his designee shall submit a report and recommendation to the city council for action. The council shall proceed as follows:

A. The council may solicit additional information it deems necessary and appropriate, including input from the public at a duly advertised public hearing, prior to taking action to accept or reject any sale or lease offer.

B. Upon determination of an acceptable bid or offer, the council shall authorize the city manager to cause the necessary instruments to be prepared and executed.

C. Copies of such instruments shall be filed with the Benton County assessor's office by the city clerk.

D. The title to any sold city real property shall not be transferred until the purchase price therefor has been fully paid and any applicable terms or conditions have been fully satisfied.

E. The net receipts from sold city real property, not designated for other purposes, shall be deposited into the capital improvement fund. [Ord. 24-84; Ord. 41-93].

3.06.060 Exceptions.

This chapter shall not apply to the following dispositions of real property:

A. When selling to another governmental agency, in which event the transfer is approved by the court as provided by law; and

B. When provisions of the RCW impose conditions for the disposition of municipal property, those laws shall be treated as limited exceptions to this chapter. Exceptions include, but are not limited to, the following as they may from time to time be amended:

1. RCW <u>35.21.660</u> through <u>35.21.680</u> and <u>35.31.725</u> through <u>35.31.755</u> relating to transfers to corporations charter by the city;

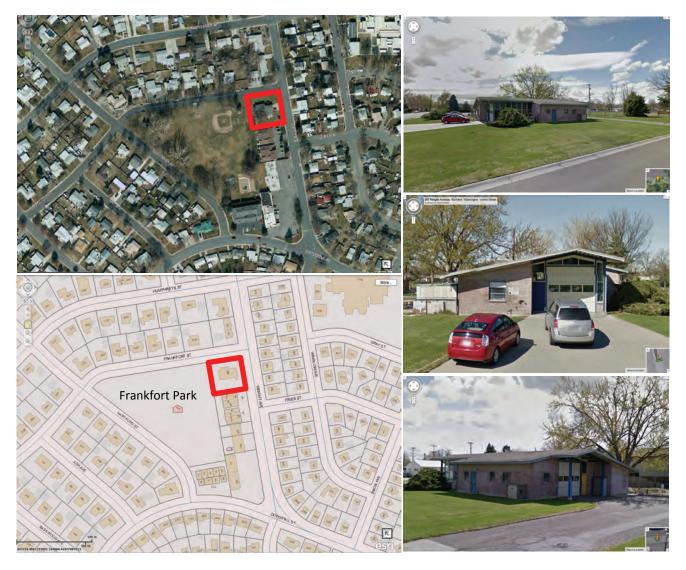
2. Chapter 35.94 RCW relating to surplus utility property; and

3. Chapters <u>39.33</u> and <u>39.34</u> RCW relating to intergovernmental transactions.

C. Sale of properties that have been acquired by the city by means of foreclosures of real estate sales contracts or for nonpayment of LID or other assessments and whether by deed in lieu of foreclosure or by judgment of foreclosure and attendant sheriff's deed. [Ord. 24-84].

Wright Street Fire Station

507 Wright Street



Owner: City of Richland Parks Department

Property size: 19,238 square feet (.44 ac)

Benton County parcel no: 110983020120003

Zoning: Parks and Public Facilities

Year constructed: 1954

Structure size: 2,956 square feet

Total assessed value: \$222,300 (land \$42,060, structure \$180,240)

Current user: Parent Co-op Mon 9:15-10:45, Tues-Th 9:15-11:15 - 7.5 hours/week (2012 use 236 hours, ave 4.5 hrs/wk)

2012 Revenue: \$13,930

2012 Utility expenses (power, water, sewer, waste, stormwater): \$2,152

2012 Labor expenses (est): \$2,100

2012 Contract expenses (janitorial): tbd

RESOLUTION NO. 64-84

A RESOLUTION of the City of Richland relating to the disposition of excess city real property and adopting a policy on the sale or lease of said property.

WHEREAS, a council committee was formed in 1973 to investigate city land sale and lease practices and to consider the various alternatives for the disposal of city owned land, which land is in excess of the city's present and future needs; and

WHEREAS, the committee subsequently submitted a written report to the City Council which provided guidelines to achieve the basic objectives to be served in selling or leasing city land; and

WHEREAS, the City Council subsequently passed Ordinance No. 809 adopting the principal provisions of that report as the policy of the city regarding the sale and lease of real property owned or controlled by the city; and

WHEREAS, the city council has repealed Ordinance No. 809 in its entirety and replaced it with an ordinance which provides updated and refined policies and procedures relating to the surplusing and the sale or lease of city owned real property; and

WHEREAS, the City Council is desirous of continuing to utilize the said 1973 report as a guideline for determining whether city real property is excess to the city's present and future municipal needs as stated in the new ordinance:

NOW THEREFORE the City of Richland, acting by and through its City Council, does resolve:

The City hereby adopts as a guideline for surplusing and 1. disposing of city owned real property, by sale or lease, the 1973 report prepared for the City Council by the Land Sale/Lease Policy Committee entitled "Proposed Policy for the Sale or Lease of Excessed City Owned Property", a copy of which is attached hereto.

This resolution shall take effect simultaneously with the ordinance 2. relating to sale or lease of city owned property.

PASSED by the City Council of the City of Richland at a regular meeting on the 6th day of August , 1984.

Mayor

\$.

FORM APPROVED:

Muench

/s/ Martin F. Mue MARTIN F. MUENCH City Attorney

C/A -

PROPOSED POLICY FOR THE SALE OR LEASE OF

EXCESSED CITY-OWNED PROPERTY

JUNE 18, 1973

by Council Committee on Land Sale/Lease Policy

I. POLICY OBJECTIVES

- A. There are five basic objectives to be served in selling or leasing of City land:
 - Meeting financial obligations resulting from prior property transactions of the City;
 - 2. Providing capital for park development;
 - 3. Providing a source of general revenue to the City over and above the property tax yields from such land:
 - 4. Controlling the physical development of the City and preventing or minimizing future deterioration of core areas;
 - 5. Stimulating development of the City's economic base to provide more primary employment opportunities and tax revenues for City and school district.
- B. These objectives need to be served in a balanced manner to insure that none are overemphasized to the detriment of the others.

In general, parks are related to both population needs for recreation and City needs for beautification. Park development cannot outrun maintenance support. Consequently, while there is a need for both capital accumulation to develop parks, there is an additional need to improve City revenues from which park maintenance funds are derived.

City general revenues are currently based upon a tax structure that is very slow to react to inflationary pressures. There is a real need to find a more inflation-sensitive source of income, as well as to generally increase the City's revenues. Land leases are one revenue source which would do both, if the leases are properly drawn.

It is difficult to control physical development in a city through zoning laws alone. The easiest approach is through control over development proposals involving City owned land leased to the developers. For in this case, the land lease arrangement can provide for specific project approval--both type and design--prior to the release of the land for actual development. A second form of control exists at the end of the lease (after agreed upon extensions) if the lease provides for City takeover of the erected facility. Then the City is in a position to refurbish or demolish that facility and replace it in an acceptable manner. Outright sale of City land leaves the whole issue of control in private hands. Development and rehabilitation control is lost by the City except through the lengthy and costly process of condemnation.

A city's economic base provides two necessary things: jobs for its citizens, and tax revenue for the City and schools. Unfortunately, in the case of Richland, the economic base within the City is unbalanced and disproportionately small compared with cities of similar size. The main source of City jobs lies outside the City. Yet the City must house and care for those employed outside. Thus, the City has costs but not revenue from jobs at Hanford and Columbia Center, the loci of many Richlanders' jobs. The City's future well being requires a stronger industrial and commercial base within the City's taxing jurisdiction.

City land ownership, particularly in the Horn Rapids area, can provide the City with a mechanism for helping to bring into the City new industrial plants. Since Richland is but one of thousands of cities which compete for such new plants, Richland needs something to give it a competitive edge in that struggle. Using City industrial lands as a form of subsidy is one such competitive edge. While the City cannot give away its land, lease-sale-road-utility development packages can be put together to provide the necessary subsidies and still leave the City's finances whole. This will take skill, time and patience, but it can be done on a selective basis. Given the growth of in-City industry, down town commercial activity will grow as a consequence and grow without subsidies. Hence, central City areas can and should be treated to serve Objectives 3 and 4 (above); providing new revenue and controling physical development.

II. CITY LAND AREAS

The City may be conveniently divided into three broad areas for the purpose of setting City land disposal policy.

--Central Area --Horn Rapids Area --All Others

A. Central Area

This is the core of the City. It has the potential for becoming a significant source of revenue to the City, for determining the physical and activity character of the City and for becoming a core area slum if not carefully controlled. Generally speaking, this area lies between Stevens Drive and the Columbia River, and between Van Giesen Street and the Yakima River.

- 2 -

It is to the City's long term interest to retain maximum control over the development of the Central Area. Land use planning and zoning is but one tool for this purpose. The careful development of City owned land is the other. Here the use of leasing rather than outright sale offers the most direct control over development and ultimate redevelopment (when necessary) and offers the greatest income potential to the City government.

The timing of any development will be critical. Once a parcel is developed, its character and income (to the City) potential will be fixed for 25 to 50 years. Since land in this area is limited, its value will grow as the City grows. Therefore, there is no reason to rush the development of such land. Specific development proposals should be considered in terms of long term benefit to the City rather than short term benefit.

B. Horn Rapids Area

This is the section west of Stevens Drive and north of Van Giesen Street, generally known as the Horn Rapids Triangle. Its potential use is industrial development and, over the longer term, residential development with some supporting commercial activity. Of these, the industrial potential is the most significant to the City.

C. All Others

This includes all parts of the City not covered by the preceding. The predominant land use here is residential development and the industrial sites at the north end of the City.

III. THE SALE OR LEASING OF CITY PROPERTY

There are advantages to the City for both sale and lease of its land. The decision in any particular case will depend upon what the City seeks to accomplish. Disposing of land by sale is a relatively quick and simple act resulting in a lump sum payment to the City. The money so raised can then be used in accordance with City ordinances to develop parks or for other purposes. The sale approach also places the land, whether developed or left idle, on the tax rolls (if not purchased by a tax exempt agency). Control over such land becomes largely a matter of zoning regulations.

Disposing of land by leasing provides a long term revenue to the City which can be used for general budget purposes. It also provides greater control over development and encourages more rapid development, if the leasing arrangements are carefully executed. But the proper use of leasing requires great care on the City's part in selecting a responsible lessee and negotiating a lease responsive to the best interests of both parties. In general, City land in the "All Others" area should be sold itright, but subject to conditions appropriate to the particular sites peing sold. In the Horn Rapids area the sale technique would also be preferred if complications did not exist due to the purchase contract with the Federal Government. Central Area land is best handled by land lease arrangements.

A. The Sale of Land

City land designated for sale should be sold at or above appraised value on a sealed bid basis after appropriate advertisement. An exception to this may be made for sites planned for industrial development. In these cases, to encourage industry to establish itself within City limits, the City Council may choose to sell at cost (i.e., City purchase price) rather than at appraised value. The method of appraisal is covered in Section IV, below. The sale of large parcels should allow for commissions to brokers licensed in Richland, if the bidders used a broker. This would encourage brokers to seek out prospective buyers and, hence, lead to wider bidding interest.

B. Leasing of City Property

1. General Considerations

Land can be leased in either of two ways: a nonsubordinated or a subordinated base. A subordinated base is one which grants to the mortgagors a right, in the event of default on the mortgage, to possess the property as well as the development on it. A nonsubordinated base withholds that right. Lending institutions provide the developers with funds under both forms of base. But nonsubordinated bases are guite rare and, obviously, not desired by lenders.

A subordinated base offers both developer and lender certain advantages over a nonsubordinated base. First, subordination by making the land part of the mortgage security package provides the lender with a more satisfactory base for his mortgage. Second, by including the land in the mortgage the borrower can get a larger loan for his project. For example:

	Subordinated	Nonsubordinated
Value of land	\$1,000	\$ none
Value of facilities	5,000	5,000
Total Mortgagable Value	\$6,000	\$5,000
Mortgage at 80% of value	4,800	4,000
Developer's equity cash	200	1,000
Value Of Facilities	\$5,000	\$5,000

In effect, then, the landholder is a junior partner in the deal when the lease is subordinated. As such, the landholders should be entitled to:

-4-

- (a) Take over the facility as though he was a second mortgage holder, and to operate the facility or find a new lessee if the original lessee fails to meet lease or mortgage payments;
- (b) As a junior partner with the lessee, the landholder is entitled to a share in the facility profits over and above the value of land rental in the absence of subordination.

Moreover, as a junior partner, the City must insure itself that the developer is financially responsible enough to complete the project development as planned and that the project itself is sufficiently soundly planned and managed to yield the profits and cash flow necessary to meet both mortgage and lease payments. For this purpose, the City would be well advised to use third party experts as advisors in determining the desirability of the City entering such a lease in each specific case. With well con-'ceived, financed and managed projects the City can gain benefits that more than compensate for the risks involved.

Accepted industry practice is to offer subordinated land leases as follows:

- (a) The term of the initial lease is the term of the mortgage;
- (b) A single renewal option for some years as mutually agreed, up to the length of the original lease;
- (c) An initial rental rate with specified increases every five years (the initial rate is about 0.5% per month for nonsubordinated leases; 1% per month for subordinated leases), or (d) below;
- (d) A base rental rate based on land value, with a percentage of gross income of the facility's business, whichever is greater. This applies most often to restaurants and other retail establishments using the facilities;
- (e) At the end of the lease term, after renewal options are exercised, either the land goes to the developer or the facility goes to the landholder, depending upon the desire of the parties at the time of the lease negotiations. The Port of Seattle takes title to the facility. It is recommended that the City of Richland do the same;

This would insure control over land use. An exception to this is land in the Horn Rapids Area (see below);

- (f) In no event is a lease longer than the mortgage term required by responsible lenders;
- (g) The size of the land parcel to be leased should be restricted to that amount necessary to the projected development upon which the lease is based. Providing more acreage than necessary for the proposed development ties up land that could be used for other developments and thereby reduces income to the City. An example of this is the City lease on the property just north of City Hall.

2. Lease Of Central Area Land

The most valuable City property site parcels in the Central Area need the greatest care in negotiating leases with developers. In the past, the City has entered into leasing arrangements which were unwise. Greater care must be exercised in the future. The guidelines provided under (a) through (g) above should be applied. In addition, the lessee should demonstrate financial responsibility and the availability to him of a mortgage commitment from a responsible lender if felt financial participation of lender is necessary. (see Appendix, Example A.)

3. Lease Of Horn Rapids Area Land

The City's purpose in purchasing Horn Rapids land from the Federal Government was to control its eventual development. The potential residential areas are in the western part of this area. Residential development is not now needed and is unlikely to be needed prior to 1980 or 1985. Some of this land could be leased for farming prior to conversion into residential uses. Industrial sites lie along the eastern portion of the area. Development here should proceed as rapidly as possible to strengthen the City's economic base. City action for this purpose should provide all the incentives legally available to start this development and bring in new industry. (Note: Not every type of industrial plant is desirable; some discretion should be exercised.)

Ideally, the City should sell off its land here when and as needed for development, both industrial and residential. Unfortunately, the City has not yet completed its payment for that land. Under the terms

-6-

of the purchase contract, the City is required to make annual payments to the Federal Government with interest at 6-1/4% per year. Any payment by the City of principal over and above the normal annual payment is used to reduce the final payments due. It does not cause a pro rata reduction of the annual payments. Therefore, if the City seeks to reduce the current annual burden of payments, it can only do so by leasing land parcels and applying the rent received to the City payments made. Moreover, any sale or lease by the City must have prior approval by the Federal Government. In the past, GSA (as the arm of the Federal Government) has refused permission for City sales unless any sale price excess of City costs reverted to GSA.

These arrangements literally force the City (a) to sell off all the property quickly, or (b) to lease as much as necessary to reduce the City's current payment level to a tolerable point. Since rapid sale is not in the long term interest of the City, the leasing alternative is the only practical one. This alternative would provide the City both development control and an easing of its payment burden.

Using the leasing arrangement, what kind of leases than it make sense. . .

- (a) Each lease should run for length of development mortgage term or for 20 years if no mortgage required;
- (b) Each lease should contain an option to purchase,
 not to be exercised prior to the year in which the City completes its purchase contract with the Federal Government;
- (c) The purchase price should be included in the original lease;
- (d) The land improvements should revert to the City if the lease expires and the purchase option is not exercised;
- (e) Land for residential development--lease rate: (See Appendix, Example C.)

The key here is to at least recover for the City the equivalent of the appraised value of the land, the taxes on the land and any LID type improvements made by the City to serve that land. This would be accomplished by accepting a pro forma price (using sealed bid method) at or above the parcel's appraised value. Then set a rental rate

- 7-

equivalent to monthly payments, which would amortize that pro forma price at FHA mortgage interest rates (in effect at the time this lease is made) over a period of 20 years, plus an amount equivalent to land taxes which would be due if the land had in fact been sold. At the time that the lease's option to purchase can be exercised, the purchase price would be the balance of the pro forma price and the purchaser would assume any outstanding LID payments.

(f) Land for nonresidential development--lease rate: (See Appendix, Example B.)

This lease rate computation would be similar to that for residential sites in the Horn Rapids Area (see e above). But, because of the City's more urgent need to attract industry, certain modifications from residential type bases may be set by the City Council for industrial parcels. Here, if necessary to attract industry, a lower lease rate may be set by using as a base simply the land cost to the City. Road and utility improvements can also be subsidized by a higher than usual application of one-half cent gas tax or similar funds.

It would also be appropriate, as an aid to developing industry in the Horn Rapids Area, to allow for the use of brokers hired by the purchaser (or lessee of the land) and to provide for a period, say up to two years, of direct City contact and negotiation with companies looking for plant sites--if acceptable bids do not come forth when the City advertises the availability of such parcels.

4. Use Of Lease Income

Over the next 16 years or so, the City faces a heavy drain of funds required to complete its payments for the Horn Rapids Area land. This purchase may be supplemented by the acreage still in BLM hands which BLM is seeking to sell. To help pay for such land and ease the current City burden of payments, all land lease income to the City should go into a special account, being invested as any temporary City surplus funds, to be used only for the annual payments on the City's Horn Rapids purchase contract.

- 8 -

IV. APPRAISAL OF CITY LAND

Property is generally appraised differently for different reasons: for tax assessment, for investment, for use by a developer and for sale. For the purposes of City sale or lease, the appraisal should be made by a professional appraiser, keeping in mind market value and potential use of the land.

Some City parcels have characteristics which can lead to high or low appraisals, depending upon how these parcels are subdivided. For example; the City Parcel bounded by Saint Street, Harris Avenue, Davison and Wallace contains a large and deep depression. One can subdivide that parcel (about ten acres) into two (or more) pieces, one of which would be the "hole". Obviously, that hole would carry a very low value because of the cost of filling it to make it usable for housing. On this basis, the total parcel would have a low market value. As an alternative, the City can sell the parcel as a single unit, with the requirement that it be developed as a "planned unit development". In this case, the hole could be developed as a part of the "common" land and the high ground be used for housing. The result is a more valuable piece of property and a higher total price for the City.

A contrary example may be found in the center of Richland. The City parcel near the Bali-Hi Motel includes part of the drainage ditch. Taken as a whole, it has a lower value because of the ditch than it $\sqrt{10}$. It has a lower value because of the ditch than it $\sqrt{10}$. It have if divided into three parcels--two high ground parcels and the drainage ditch between them. The City can then maintain the ditch as part of its park program, leaving the two high parcels for development.

Any appraisals and sale or lease terms of City property must be made with such problem situations properly analyzed.

V. POINTS FOR INCLUSION IN DRAFT ORDINANCE ON SALE OR LEASE OF CITY OWNED PROPERTY

A. Residential Parcels

- 1. That property be appraised by an independent qualified appraiser for its market value not more than six months before being offered for sale.
- 2. That all sales be made on an advertised sealed bid basis with automatic rejection if the highest bid falls below appraised value.
- 3. That the bidder agrees, as part of his bid, to develop the property in accord with zoning existing at time of sale, including use of planned unit development zone if approved by the City Planning Commission; or any other zone if the City Planning Commission acts on its own initiative to do rezone the property and the City Council

-9-

then adopts such a rezone.

This is an issue of insuring residential parcels being developed in line with City plans. Such plans should look at the existing surrounding areas as well as longer term prospects. The land should be zoned as the City sees its use. The price charged will be in accord with that use. A purchaser should not be permitted to buy at a low price and then rezone to improve his land value, unless circumstances have significantly changed since he bought the land. This clause seeks to assure that the Planning Commission controls the zoning situation.

4. That parcels of land in excess of two acres not be subdivided by the City in advance of the sale, unless specifically recommended by the Planning Commission and then approved by the City Council.

The purpose of these conditions is to insure that the City receives fair value for each sale and that neighborhoods which surround the City parcels being sold are not unjustly downgraded in quality.

- B. Leasing Central Area Parcels
 - 1. Land be appraised (as in A above).
 - 2. Public offering.
 - 3. Lease to bidder offering most favorable combination of lease revenue and development terms.
 - 4. Lease term of years limited to term of first mortgage with one option to renew lease for same, or lesser, time period.
 - 5. Non-subordinated leases. Minimum lease payment shall be percentage of appraised market value of land not less than current rate for U. S. Treasury Notes, as determined by Finance Director, together with pro rata monthly equivalent of property taxes which would have been due if property was owned by a tax paying person or organization. Lessee also agrees to pay for any LID type improvements if costs of such improvements are not already included in appraised price, either in cash or on an LID equivalent basis.

Subordinated leases. Minimum lease payment not less than 1-1/2 times the rate specified for a nonsubordinated lease.

6. Lease payments to be raised at the end of every fifth year of the lease by an amount equivalent to the percentage rise in the cost of living index for Seattle or for some other appropriate published index.

- 7. For retail establishments, including restaurants and the like, that the lease be one per cent of gross sales of the establishment or Condition 5, whichever is higher; Condition 6 then not applicable.
- 8. That no lease be signed and executed until:
 - (a) The lessee presents City with letter of commitment for construction and mortgage loans from reputable lender, or demonstrates financial capability not requiring such a mortgage;
 - (b) A firm date (not to exceed six months) for the start of construction be specified;
 - (c) Lessee demonstrate to City with appropriate financial statements his ability to meet lease and mortgage requirements for his proposed development;
 - (d) If lease subordination is requested by lessee, that failure of lessee to meet either lease or mortgage payments causes lease to be canceled and title to leasehold improvements to pass to City; but City obligations to mortgage holder are limited to the land subordinated under the lease.
 - (e) All improvements pass to City ownership at expiration of lease.
- 9. A conditional prelease agreement can be executed with proposed lessee to enable him to move forward with his final plans to secure necessary funding, provided that this prelease agreement shall expire within nine months or when the actual lease is executed, whichever comes first.
- C. Leasing Horn Rapids Area Parcels

Similar to B, except for Items 5, 6 and 7. See Policy Proposal, III. B3(a-f) for guidelines to determine lease rental rate and option to purchase.

APPENDIX I

EXAMPLE A

LAND LEASES/FACILITIES OTHER THAN RETAIL TYPE ESTABLISHMENTS

Facts

- Lease subordinated to first mortgage. 1.
- Term of lease 25 years. 2.
- Renewal option--one renewal for 25 years. 31
- Title to facilities and other improvements passes to City after end of lease, including renewal period if lease is renewed. 4.
- Land parcel valuation is \$20,000. 5.
- Improvements for road, water sewer, etc. totaling \$10,000--borne by developer either as direct payment or on LID basis. If road improve-6. ment is required and road qualifies as an arterial, usual City arterial funding is applicable.
- Base rental--first five year period--is 1%/month, including the property tax equivalent due) of land value exclusive of improve-7. (Note: If improvements are paid for by City--not counting normal arterial funding--then improvements are added to land valuation.
- Incremental Rent Increases: .8.

At the end of every fifth year of the lease term (including renewal) the rent is increased by x per cent. For example, assuming a 10% increase each five years:

Land Value At Time Of Contract

\$20,000

Monthly Monthly Monthly Monthly Monthly Monthly	rental rental rental rental rental rental rental rental	for yea for yea for yea for yea for yea for yea for yea	ars 11-15 ars 16-20 ars 21-25 ars 26-30 ars 31-35 ars 36-40 ars 41-45	200.00 220.00 242.00 266.20 292.82 322.10 354.31 389.74 428.72 471.59
Monthly	rental	for yea	ars 45-50	471.59

Under this leasing arrangement the land, being City property, is NOTE: not taxed. Therefore, the lessee can figure that the rent he is required to pay includes a property tax otherwise payable. In the first year such a tax would be \$16.67 per month. By the end of the lease, assuming a

continued three per cent per year growth in property values, his tax would be \$58.33 per month in the fifteenth year, and his net rent \$412.96.

EXAMPLE 3

LEASE, WITH OPTION TO BUY (HORN RAPIDS AREA PARCELS)

Industrial Uses

Assumed Data

- 1. Value of property to City is \$20,000 as of December, 1975.
- 2. Lease runs for 20 years (to 1995).
- 3. Purchase option is exercised at end of fifteenth year (1990).
- 4. FHA current interest rate if 7-1/2% per year.

Lease Rental Rate

\$161.12 per month for 20 years.

Option Purchase Price

(At time option is exercised; in this example at the end of fifteenth year of lease): \$8,040.23.

NOTE: The pro forma price, rental rate and option purchase price are all related values derived from interest/discount tables based upon the going FHA interest rate on the effective date of the lease. In effect, the pro forma price may be considered as that price which the City would accept (on the day of the agreement) if the land could be sold rather than leased. The monthly rental is then the monthly payments of principal and interest needed to amortize that price over a twenty year period. The option purchase price is then the lump sum payment of principal due at the time the option is exercised, or \$100, whichever is greater. As an incentive to purchase the land on the first option date, the City can set price as of that date and keep it constant to end of lease period.

EXAMPLE C

LEASE/PURCHASE--HOUSING USES (HORN RAPIDS AREA)

(Similar to Example B, but with the addition of a property tax equivalent mount.)

Lease Rate			
Before tax	\$161.12	per	month
*Tax Adjustment	30.35	per	month
TOTAL RENT	\$191.47	per	month

*Tax Adjustment Computation:

Original property value	\$20,000.00
Tax at 1% per year of value	200.00
Monthly equivalent	16.67

Factor for land value escalation over 20 years at 3% per year	1.820755
Multiply by current year tax equivalent	16.67

Equals adjusted (tax) rate \$ 30.35

<u>i i i</u>

APPENDIX II

COST OF LAND IN HORN RAPIDS TRIANGLE

Under the purchase agreement between the City and the United States Government, a twenty year payout is required with interest at 6-1/4% per year on the unpaid balance.

The effect of this agreement is to increase the cost to the City of this land each year that the contract runs. One can measure the impact of this cost by converting the existing payment schedule of principal and interest into an equivalent of original price plus annual increments. The table below displays the contract terms and cumulated cost over the contract period. Dividing the cummulative final cost (1989) by the initial cost yields a growth factor of 159.05%. From appropriate interest tables this factor yields an annual growth rate of 4-5/8%.

Thus, it is appropriate to assume that Horn Rapids City land cost, and therefore lease/sale values, increases by 4-5/8% per year. Therefore, the December 1973 value should be approximately 1.246 times the original purchase price.

The growth factor should be considered when leasing or selling parcels in the Horn Rapids area.

Time Period	For Year Ending 12/5	Unpaid Balance	Interest Due 6-1/4%	Cummulated Cost
0	1969	609,300	\$ O	\$677,000.00
]	1970	578,835	38,081.25	715,081.25
2	1971	548,370	36,177.19	751,258.44
-	1972	517,905	34,273.13	785,531.57
4	1973	487,440	32,369.06	817,900.63
5	1974	456,975	30,465.00	848,365.63
6	1975	426,501	28,560.94	876,926.57
7	1976	396,045	26,656.88	903,583,45
8	1977	365,580	24,752.81	928,336.26
9	1978	335,115	22,848.75	951,185.01
10	1979	304,650	20,944.69	972,129.70
11	1980	274,185	19,040.63	991,170.33
12	1981	243,720	17,136.56	1,008,306.89
13	1982	213,255	15,232.50	1,023,539.39
14	1983	182,790	13,328.44	1,036,867.83
15	1984	152,325	11,424.38	1,048,292.21
16	1985	121,186	9,520.31	1,057,812.52
7	1986	91,395	7,574.12	1,065,386.64
ر	1987	60,930	5,712.19	1,071,098.83
19	1988	30,465	3,808.13	1,074,906.96
20	1989	0	1,904.06	1,076,811.02

CITY COST OF HORN RAPIDS AREA LAND

11

TO: Parks and Recreation Commission

FROM: Joe Schiessl, Parks and Recreation Director

DATE: May 9, 2013

SUBJECT: Naming the Howard Amon Tennis Courts

STAFF RECOMMENDATION

That the Parks and Recreation Commission recommend that Council name the four tennis courts in Howard Amon Park the "Holland St. John Courts".

FISCAL IMPACT

There will not be a fiscal impact to the City as a result of naming the tennis courts other than minor, in-house signage fabrication.

BACKGROUND

The City manages a "Parks and Recreation Policy for Memorials, Gifts, Monuments, Statues, Works of Art, and Naming Proceedure". The applicable section follows.

NAMING OF GREENWAYS, PARKS, AND THEIR FACILITIES: The naming of parks or other facilities maintained by the City of Richland originates with the Parks and Recreation Commission. The Commission may originate the proposed name or may seek assistance through community input such as a naming contest in cooperation with the Richland School District students. After considering all proposed names, the Commission will forward its recommendation to the City Council for ultimate determination.

Three kinds of names seem appropriate for parks and recreation areas: commemorative, utilitarian, and named after donors of land or money used to acquire land or equipment for parks and recreation areas.

A. Several names of a commemorative nature would be appropriate for a proposed park or recreation area. The name of *Hanford* in commemoration of the former townsite now abandoned since the government acquired it for construction of nuclear reactors, or a name commemorating an Indian tribe or historical event unique to this area would also be deemed appropriate. Other names of a commemorative nature may also be appropriate.

B. Utilitarian names are especially appropriate for the smaller parks and recreation areas. The present practice of referring to these according to prominent streets is useful in orienting parks according to certain sectors of the City. This system should be

maintained when practical. In specific instances, development area names, or names generally accepted and in use in the neighborhood prior to the official naming of the site, should be considered.

C. Recognition of private citizens or groups may be given by adopting the names of the donors.

D. In limited situations there may be times when it seems appropriate to name parks or recreation areas after prominent citizens on the local, state, or national level; however, consideration to the first three categories should be rigorously considered before deciding upon a prominent citizen name.

ANALYSIS

On April 25, 2013 the Parks and Recreation Commission considered items A-D and concluded that the Howard Amon Tennis Courts should be named after the local Holland St. John in commemoration of his 16 years of service to the City on the Parks and Recreation Commission 1979 to 1995 where he served as chair for 12 years. Mr. St. John also taught in the Richland School District for 32 years and served in the Marine Corps during the Korean War. Most notable, however, is Mr. St. John's contribution to the local tennis community through public instruction and active participation.

Parks and Recreation Department May 2013

Recreation Division

NSA Icebreaker Softball Tournament

The annual NSA Icebreaker Girls Fastpitch Softball Tournament was held on April 13-14 at fields throughout the Tri-Cities, including Columbia Playfield and Horn Rapids Athletic Complex. The tournament attracted 141 teams with 127 teams from out of town. The tournament is one of the largest held in the Northwest.



Annual COR Volunteer Appreciation Event

The Richland Community Center was the place to be for the annual Volunteer Appreciation held Thursday, April 18. Over 400 volunteers were invited to be recognized and honored. Mayor Fox and City Manager Johnson thanked all in attendance for their diligent, hard work and noted how important the efforts of all its volunteers are to the City. The 2012 Volunteer of the Year for Outstanding Individual was awarded to Chris Newbill for his public relation tasks for the Richland VIPs Program, and 2012 Volunteer of the Year for Outstanding Organization was awarded to the Richland Rotary for a landscaping beautification project.







WRPA Annual Conference and Trade Show

The Washington Recreation and Parks Association (WRPA) Annual Conference and Trade Show, held at the Hilton Hotel Conference Center in Vancouver, WA. April 16 – 18 offered many enlightening informational sessions. While both key note speakers were exceptional, Trish Downing, a paraplegic athlete was really over the top. She conquered her disability to become 2009 Duathlon World Champion. Her inspirational talk put forth a challenge to everyone to reach beyond perceived limitations. A highly favored presentation was offered by Richland's own Ranger Jen Davis. Modern Day Treasure Hunting: Geocaching Boosts Tourism grabbed everyone's attention. The facts and figures displayed on the colorful graphs made it plain that this activity is good for business, as well as bringing families together. There were several requests for contact information, as well as kudos from the new WRPA president, Jessi Bon. There is always much to learn and many contacts to be made at the WRPA Conference and this year was equally valuable.





Arbor Day Event

Friday, April 26th, was the City of Richland's Arbor Day Tree Planting and Compost Demo Event at John Dam Plaza. In attendance were Mayor John Fox, PRC Vice-Chair Greg Jones, Director Joe Schiessl, Director Pete Rogalsky, as well as multiple organizations who volunteered their time and money to make this event great. Those special sponsors were: ConAgra, Conover Insurance. Kid's Play: Tri-City Family Magazine, American Chemical Society, Basin Bloomers Garden Tri-Cities Master Gardeners, Mid-Columbia Club. Community Forestry Council, Richland Energy Services and Richland WW/Storm Water. Special Thanks go to the 2nd and 3rd grade classes form Lewis and Clark Elementary who came and recited a poem about Arbor

Day and John Dam Park. Compost was donated by John Bykonen with City of Richland WW/Storm Water and the demonstration was given by Director of Public Works, Pete Rogalsky. Ten trees were planted throughout the park according to the Master Plan. We planted 6 Red Oaks, 2 Fall Fiesta Maples, 1 Vanderwolf's Pine, and 1 Serbian Spruce. KNDU was present and we were featured on the evening news.







Richland Seniors Association (RSA) Cruise

"This was truly a cruise to remember," stated Betty Norton, RSA president. The RSA group boarded the boat at Clover Island at 10:00am April 27, to be met with a delicious continental breakfast. The cruise took them down the Columbia River and up the Snake River where they went through the Ice Harbor Dam locks for an even longer adventure. A scrumptious lunch was served at noon, followed by a desert bar. The smiling travelers arrived back at the dock at 3:00pm, just in time for the photo shoot.



Parks and Facilities

Goethals Park Nature Playground

Spring break is an exciting time for kids, especially when the weather in is the high 70's. Many families were out enjoying the great weather in the nature playground at Goethals Park. The new zip line, funded by Community Development Block Grant funds and installed by Parks and Facilities crews was a big hit with the kids as well as the other natural features of the park.







Wye Park

Facility crew undertook significant tree pruning to open up the river view from this park. The extraordinary maintenance is made possible by rearranging crew schedules and finding new efficiencies.



Queen of the West makes Port at Lee Landing

The cruise boat "Queen of the West" visited Lee Landing April 23rd. Several additional cruises by various operators are planned throughout the summer and fall.



Upcoming Events

Summer E-Activity Guide

The 2013 Summer E-Activity Guide will be available on-line Monday, May 6. Registration will begin Tuesday, May 7 at 10:00am, both on-line and at the Richland Community Center.