

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: 1/19/2010

Reviewed by: BP

SUBJECT: Sale of Temporary Apparatus Bay Structure at 1051 Monroe

REPORT BY: Judy Lieberman, Assistant City Administrator

STAFF RECOMMENDATION

Approve sale of apparatus bay metal building and storage containers to University of California for \$50,000.

BACKGROUND

The City will be vacating the temporary public safety facilities at 1051 Monroe Street in February, 2010. The only items owned by the City are the metal building used for the Fire Department Apparatus Bay and the storage containers. The City's lease agreement with the University of California will be over in October, 2010 and at that time the city has committed to removing all of the structures.

The University has verbally agreed to pay the city \$50,000 for the structure and therefore to remove the City's responsibility for its eventual removal. The cost for the building was approximately \$100,000, plus approximately \$45-50,000 for site preparation and for improvements. If the City had to demolish the structure, costs would be at least another \$15,000. If the City sold the structure to someone who wished to use it off-site, they would need to dismantle and rebuild it, thereby greatly reducing the sale value. Based on the City's own experiences attempting to purchase a used building of this nature, the best option is to sell to someone who will use it on site. The University's offer of \$50,000 is to the City's advantage, since it will also save the costs of demolition and removal.

SUSTAINABILITY IMPACT

Re-using the structure on site is the most sustainable option, involving no additional fuel, pollution and waste to the landfill.

FINANCIAL IMPACT

The City will receive revenues of \$50,000 and will save the potential costs of demolition, which would be at least \$15,000.