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City moves forward with potential purchase of downtown properties

By Lou Fancher



Campana property on Moraga Road Photo J. Wake

Administrative Services Director Tracy Robinson at the Nov. 14 city council meeting discussed progress made on the city's plan to purchase two downtown properties located at 990 Moraga Road, best known as the Campana property, and at 3533 Plaza Way, also called the McNeil property, which Robinson said will allow the city to "achieve the vision of the Plaza Way overlay," created to increase the supply of off-street parking within the Plaza Way block. The purchases would provide additional public parking to the businesses such as The New Park Theater that are entering that location, along with opportunities for other civic uses.

Two agreements resulting from negotiations during recent months place the purchase prices at \$3.5 million for the Campana property, and \$3.4 million for the McNeil property. Staff recommended the money, a combined total purchase of \$6.9 million, be in part borrowed by the General Fund's City Office Fund and

combined with other money in the General Fund to complete the purchase.

Robinson said the uses and other terms will be considered in future council discussions, but the unusual availability of both parcels at the same time suggested immediate action be taken to secure the properties. Depending on the uses assigned, Robinson said conversations about long-term financing will be studied extensively. The refinancing options include whether or not to pay back the City Offices Fund, finance the purchase with bonds, or pay for the property purchase through the sales of other city properties.

She asked the council to approve the purchase price, which would allow staff to move forward and conduct the due diligence phase to ensure the properties meet CEQA compliance guidelines. When that process is completed, escrows can be finalized.

In public comments, David Clark said the purchase "is terrific." Owning the properties outright if money can be found is an action he applauded and welcomed. He encouraged the council to consider adding pathways that might augment existing public pathways in the downtown area.

Grace Dixon said it was a "small miracle" that the city had obtained the option to obtain the two properties and she supported including civic elements that involve walking and biking. Max Henninger asked if borrowing money from the City Offices Fund meant no longer prioritizing purchasing a city hall. "It would seem like a challenge," he said. He emphasized providing ample opportunity for the community to have input into the council's intentions when it came to usage. He supported considering adding housing and a future city hall at the site, but questioned using \$5 million of city money to support simply more parking and retail businesses.

Stella Wotherspoon agreed it was a wonderful opportunity to build community and provide more public space. She suggested the Plaza Way overlay be revisited as to whether or not the plans portray "current thinking" about the best use of the space.

Libby Henry asked if the property on Moraga Road was a historical landmark and how that might impact what she anticipated as tear down construction projects. City Manager Niroop Srivatsa said the McNeil building was not landmarked as a building of local significance but has a plaque calling out its historical importance. The Campana building, according to city records, she said is not landmarked as a historical property, but fact checking will be done by staff in consultation with the Lafayette Historical Society.

Robinson noted that the Campana building is vacant and no businesses are being asked to relocate as a term of the purchase. Existing leases in the McNeil property will be assumed by the city and continued. After determination of the uses are agreed upon, the city has the ability and legally can relocate businesses. Robinson emphasized that any funds borrowed from the City Offices Fund, would be "a loan" and if no city offices are placed on the properties, methods for paying back the loan to the City Offices Fund will be discussed.

The council welcomed the public's input as the council moves into discussions about uses of the properties. Completion of the purchases after all CEQA and other compliance guidelines are met was approved unanimously by the council. Staff will move into the due diligence phase before bringing the matter back to

the council and completing the purchase.

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