

Agenda

February 2, 2023 @ 1:00 pm

City Hall - Commission Chambers 401 S. Park Avenue

welcome

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assistance & appeals

Persons with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk's Office (407-599-3277) at least 48 hours in advance of the meeting.

"If a person decides to appeal any decision made by the Board with respect to any matter considered at this hearing, a record of the proceedings is needed to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based." (F.S. 286.0105).

please note

Times are projected and subject to change.

agenda time

- 1. Call to Order
- 2. Discussion Item(s)

a. Old Library Site Discussion

90 minutes

3. Adjournment



item type Discussion Item(s)	meeting date February 2, 2023
prepared by Peter Moore	approved by Michelle del Valle, Randy Knight
board approval Completed	
strategic objective Fiscal Stewardship	

subject

Old Library Site Discussion

motion / recommendation

background

At the January 11th meeting of the City Commission, it was determined that the single offer received on the RFP for the reuse of the existing Old Library Building be declined but that negotiation conversations continue at a work session. Harbert Realty has been the sole respondent and provided concepts outside of the original RFP for consideration and was asked to return with potential ideas and financial implications of considering what could be done on the site if the requirement to keep the original building was removed and the city would consider entering into a ground lease or sale.

As the City Attorney indicated, any major change in a solicitation would normally result in a reissuance of a new RFP as the terms to respond to a sale or a ground lease, may have wider appeal than a project that required the existing building to be kept. However the City Commission has the legal authority to determine how to dispose of this site. As a caution, any information presented at this meeting would become part of the public record and could put Harbert at a competitive disadvantage if another solicitation was ultimately issued.

At contention at the site is the value that the city would receive for allowing 3rd party to operate or own it, parking concerns, and noise impact on the surrounding community based on the type of use that could occupy the site. Potential uses of the site have been explored significantly in the past both by the citizen task force that was created back in 2019 and by the City Commission. The work performed by Harbert Realty has shown that the existing building's economic value is in question due to the extensive work that would be required to bring it up to code and a Class A marketable standard. Harbert's proposal contemplated over \$14 million in investment required. Regarding uses, for 50 years the site functioned as a library that had 300 - 400 average visitors a day. Uses that would

have considerably less traffic and parking demand would be those more aligned with office or residential use. As Harbert indicated, they could deliver an office product of similar size that, with reconfiguration, could accommodate surface parking on the site. Residential luxury condos of limited density could also do well on the site and would have the lowest overall parking impact of any use type. Combinations of office and residential could also be an opportunity for the site. Regardless of any style of use, if the Commission is open to exploring market demand again, they could place limitations on the types of use but remove the restriction that the existing building be kept.

If the city keeps the existing building, it will immediately have to fund the chiller replacement at an estimated cost of \$250k. This is simply to keep the existing building under air conditioning and does not contemplate any other investment that may be needed to hold the site without any determination of use. Staff has estimated that a demolition of the existing building would cost around \$80k but that has not gone out to bid to get actual numbers.

At the work session, staff will summarize the process to-date and then open up discussion to allow the Commission to discuss any updates from Harbert, and then to discuss any consensus on next steps.

alternatives / other considerations

fiscal impact

The City's broker has advised that the property could be worth up to \$12 million depending upon the use type of the site. In addition, the site has been non-taxable and any new development would begin to pay property taxes. That amount will vary depending upon what would be built, but an office building of about 30,000 SF would generate about \$40k - \$60k annually in revenue for Winter Park at the existing millage rate.

Keeping the existing building would require the immediate replacement of the chiller unit at a cost of \$250k. Additionally, if any desire to use the existing building was agreed to, the city would likely have to invest additional funds to bring the elevators, bathrooms and other functions up to code. This number was previously estimated by the 2019 Task Force at about \$5 million and is likely higher today.