



TOWN OF
CAPE CHARLES

AGENDA TITLE: Acquisition of Fig Street Lots

AGENDA DATE:
March 20, 2014

SUBJECT/PROPOSAL/REQUEST: Adopt resolution authorizing the acquisition, amending the budget and appropriating the funds.

ITEM NUMBER:
8B

ATTACHMENTS: Proposed Resolution 20140320, Budget Reallocation

FOR COUNCIL:
Action (X)
Information ()

STAFF CONTACT (s):
Heather Arcos

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

In June 2010, the Town entered into a lease agreement with Bay Creek LLC to lease seven (7) lots on the corner of Fig Street and Randolph Avenue with first right of refusal to purchase the property if at any time Bay Creek decided to sell the property. The parcel numbers are: 083-A4-01-00-001, 083-A4-01-00-002, 083-A4-01-00-003, 083-A4-01-00-004, 083-A4-01-00-005, 083-A4-01-00-006 and 083-A4-01-00-007. The lease has been renewed on an annual basis.

DISCUSSION:

The Town Manager received a letter dated February 10, 2014 from Mr. Richard Foster of Bay Creek LLC and HJ Rail, LLC offering the sale of the property to the Town, as outlined in the lease agreement, for a sum of \$100K payable at closing. If the Town failed to accept the offer, the property would be marketed for sale. This issue was discussed by Council at the March 10, 2014 Executive Session and the general consensus was for the Town to move forward with the acquisition of the seven (7) Fig Street parcels described above.

The Cape Charles Comprehensive Plan, adopted June 2009, recommends the intersection of Fig Street and Randolph Avenue be utilized for a traffic roundabout (§ III.A.5.1, item 9 – Incorporate traffic calming and access management techniques at Town Gateways; § III-3 – Transportation and Utilities; and § IV.3 – Cape Charles Community Trail Master Plan).

The parcels are currently maintained as Open Space and contain the Town's welcome sign and plantings. After purchase, the Town plans to continue to maintain the parcels as currently used until such time that a traffic roundabout, as stated in the Comprehensive Plan and in VDOT's 2020 Transportation Plan, can be constructed.

There is sufficient funding in the Fiscal Year 2014 Budget under the Cape Charles Community Trail Project. The final approval to begin construction has been delayed on the Cape Charles Community Trail Project. VDOT is required to review and approve each step of the process and anticipated construction would not begin until the next fiscal year. We anticipate approximately \$50K to be expended on the Trail project this year. The remaining \$100K will not be utilized in this fiscal year and would be transferred to the Town Manager budget for the acquisition of these parcels. Resolution 20130627 Approving the Budget for Fiscal Year 2013/2014 and Making Appropriations for the Fiscal Year authorized "the Town Manager to transfer amounts among Funds with advance notification to the Town Council."

RECOMMENDATION:

Staff recommends discussion of this opportunity, and a roll call vote on the attached resolution (#20140320) authorizing the acquisition of the property; authorizing the Mayor to execute such documents as may be required to close on the property; and to approve a budget amendment and appropriation of funds for the property acquisition.

RESOLUTION 20140320
ACQUISITION OF SEVEN PARCELS ON FIG STREET

WHEREAS, in June 2010, the Town of Cape Charles entered into a lease agreement with Bay Creek LLC to lease seven parcels (083-A4-01-00-001, 083-A4-01-00-002, 083-A4-01-00-003, 083-A4-01-00-004, 083-A4-01-00-005, 083-A4-01-00-006 and 083-A4-01-00-007) on the corner of Fig Street and Randolph Avenue with first right of refusal to purchase the property if Bay Creek decided to sell the property; and

WHEREAS, the Town received a letter from Mr. Richard Foster of Bay Creek LLC and HJ Rail LLC offering the sale of the property to the Town, as outlined in the lease agreement, for a sum of \$100,000 payable at closing; and

WHEREAS, the Town Council discussed the offer at their March 10, 2014 Executive Session and reached a general consensus to move forward with the acquisition of the seven parcels; and

WHEREAS, the Cape Charles Comprehensive Plan, adopted June 2009, recommends the intersection of Fig Street and Randolph Avenue be utilized for a future roundabout; and

WHEREAS, the parcels are currently maintained as Open Space and contain the Town's welcome sign and plantings. After purchase, the Town plans to continue to maintain the parcels as currently used until such time that a traffic roundabout, as stated in the Comprehensive Plan and VDOT's 2020 Transportation Plan, can be constructed; and

WHEREAS, there is sufficient funding in the Fiscal Year (FY) 2013/2014 Budget under the Cape Charles Community Trail Project, which is not expected to begin construction until FY 2014/2015 so the funding will not be utilized this FY; and

WHEREAS, Resolution 20130627 Approving the Budget for FY 2013/2014 and Making Appropriations for the Fiscal Year authorized the Town Manager to transfer amounts among Funds with advance notification to the Town Council; and

WHEREAS, the Town Council has determined that other expense items in the Budget be reallocated toward the acquisition of the seven Fig Street parcels, without increasing the total aggregate expenses in the Budget nor increase the appropriation of funds; now

THEREFORE BE IT RESOLVED by the Town Council of Cape Charles this 20th day of March, 2014 that the seven Fig Street parcels be acquired in accordance with the terms of the lease agreement as discussed; and

BE IT FURTHER RESOLVED that the Mayor and Town Manager, each of whom may act, be authorized to negotiate, finalize, and execute such documents as may be required to close on the property acquisition; and

BE IT FURTHER RESOLVED that the attached Budget reallocation be approved, and that funds be appropriated for the acquisition of the seven Fig Street parcels and related expenses.

Adopted by the Town Council of Cape Charles on March 20, 2014

By: _____
Mayor

ATTEST:

Town Clerk