

City of Fayetteville Staff Review Form

2016-0034

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City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Jeremy Pate

1/15/2016

Development Services /
Development Services Department

Submitted By

Submitted Date

Division / Department

Action Recommendation:

A Resolution expressing the City Council's intent to consider the development and improvement of the City of Fayetteville's 2.8-acre property at the southwest corner of West Avenue and Dickson Street, known as the West Avenue Parking Lot

Budget Impact:

Account Number		Fund	
Project Number		Project Title	
Budgeted Item?	NA	Current Budget	\$ -
		Funds Obligated	\$ -
		Current Balance	\$ -
Does item have a cost?	No	Item Cost	
Budget Adjustment Attached?	No	Budget Adjustment	
		Remaining Budget	\$ -

V20140710

Previous Ordinance or Resolution # _____

Original Contract Number: _____

Approval Date: _____

Comments:




CITY COUNCIL AGENDA MEMO

MEETING OF FEBRUARY 02, 2016

TO: Fayetteville City Council

THRU: Mayor Lioneld Jordan

FROM: Jeremy Pate, Development Services Director 

DATE: January 14, 2016

SUBJECT: West Avenue Parking Lot – Development Consideration

RECOMMENDATION:

A Resolution expressing the City Council's intent to consider the development and improvement of the City of Fayetteville's 2.85-acre property at the southwest corner of West Avenue and Dickson Street, known as the West Avenue Parking Lot

BACKGROUND:

In the early 1990s the City developed a 290-space surface parking lot at the southwest corner of Dickson Street and West Avenue, with the primary goal of providing parking for the new Walton Arts Center that opened in 1992 and the reviving Dickson Street entertainment district. According to Tony Wappel's *Once Upon Dickson*, the property was first developed in 1885 as a wholesale grocery store. After several expansions, changes of ownership and the addition of private switch yards and loading docks along West Avenue, the business changed from Fayetteville Grocer Company to Ozark Grocer Company. Eventually the Ozark Grocer Company closed in 1968. Following its closure, the building was used for storage and transfer along the railroad. The historic grocer building burned in 1974. In the 1970's and 80's the lot, which contained a portion of Town Branch creek traversing the site flowing from the northeast corner to the southwest, became overgrown with vegetation and according to reports was a place for unsavory characters and "mischievous deeds." After the Walton Arts Center was completed the City made the decision to clear the site, fill it in and construct the parking lot. Dickson Street was a very different place before the Walton Arts Center began to transform the Entertainment District into what we know it as today.

The site today is much like it was last developed in the 1990s; it contains 290 parking spaces, a large underground storm drain system, and is accessed via both Dickson Street and West Avenue. Along the western boundary is the Arkansas-Missouri railroad, still an active freight and excursion passenger line, and the Scull Creek Trail, part of the 36-mile Razorback Greenway. A small stone grotto with fish ponds was developed when the parking lot was constructed, using stone from the ruins of the Ozark Grocer building. The water for this pond system is piped from natural springs occurring east of the property underneath the Walton Arts Center. It is also the site of multiple festivals and outdoor performances throughout the year, the largest of which is the annual Bikes, Blues and BBQ festival, drawing thousands of citizens and visitors to the Entertainment District each fall. Parking today in this lot draws an annual revenue of

approximately \$433,000 from daily paid parking, tickets and event parking associated with large Walton Arts Center performances.

This property was featured and discussed extensively during the development of the Downtown Master Plan adopted in 2004. This site was identified as a “strategic location for infill development...with a parking garage and mix of uses lining the structure.” Concepts were developed to complete the street edges along Dickson and West, and to “create an urban street scene” along the southern edge of the lot which faces Nadine Baum Studios and the mixed-use Metro District buildings.

In 2007 the City issued a Request for Proposals for a public-private partnership to develop the subject property. A proposal was selected and a development agreement negotiated to construct two parking structures and a mixture of retail/commercial liner buildings. However, the construction of the development agreement did not pass legal review tests for a variety of reasons. About this time, the “Great Recession” hit our region along with the rest of the nation, and talks on this project ceased.

In 2014 and 2015, two major expansions impacting this property began. The City broke ground on a 235-space parking deck serving the Entertainment District, along with an administrative office building replacement and expansion for the Walton Arts Center. In 2015, the Walton Arts Center began a \$23 million expansion and renovation project. The parking deck project was completed in October of 2015, and construction on the expansion and renovation is scheduled for completion near the end of 2016.

DISCUSSION:

In December the Mayor communicated that he would be bringing to the City Council a Resolution of Intent to determine if the Council is interested and willing to consider development proposals on the property. As you are aware, the opening of the Spring Street Parking Deck in October has provided additional parking capacity in the downtown entertainment district. Because of the successful completion of this important piece of infrastructure in the Dickson Street area, the City has received renewed interest from multiple parties in the potential for re-development of the West Avenue Parking lot at the corner of Dickson and West. The Mayor’s Office has spoken to a number of interested parties whose proposals vary dramatically in impact to the property, scale of development, and financial consideration. A primary factor in all of these conversations, from the mayor’s perspective, is to not reduce parking capacity. Rather, if the property is to be developed in accordance with the adopted Downtown Master Plan and continue to support the growing arts, entertainment, retail and residential uses now occurring in our thriving downtown, proposals need to find a way to replace and/or expand public parking.

In an effort to conduct an open, transparent, and equitable process, the Mayor decided to bring forward this item to get the Council involved in the conversation early; after all, Dickson Street’s influence and impact is greater than its physical area, for residents and visitors alike. Long considered the heartbeat of the region, Dickson Street and the surrounding area is a valuable asset to the City, and the development of this property should be taken deliberately with all due consideration. Should the Council be interested in considering private development proposals, we are recommending that you pass a Resolution of Intent thus beginning a Request For Proposal process with a clear schedule and questions to be answered, such as: how parking is proposed to be replaced or enhanced, how a proposal fits with the Downtown Master Plan, how current festival and event venue space is to be managed, proof of financial feasibility, purchase/lease proposals, and a timetable for development, among other items.

We welcome the Council's input in this process and look forward to the public dialogue on the future of this important property in our Downtown Entertainment District.

BUDGET/STAFF IMPACT:

At the direction of the Mayor, staff will develop a Request for Proposals and advertise for responses. Jeremy Pate will lead this process with the assistance of appropriate staff as needed. A selection committee of the Council as a whole is proposed to be developed to consider valid proposals, and to make any final decisions to move forward on parts of, all of or none of the proposals received.

Attachments:

Downtown Master Plan documents