TO: James L. App, City Manager

FROM: Jim Throop, Administrative Services Director

SUBJECT: Sale of Surplus Modular Buildings to Paso Robles Housing Authority

DATE: April 5, 2011

For the City Council to consider sale of surplus modular buildings at 3050 NEEDS:

Park Street, the George Stephen Center,) to the Paso Robles Housing

Authority for \$1.00.

FACTS: 1. The City purchased the modular buildings in mid-1990's.

> 2. These modular buildings were used as part of the City's Oak Park After-School Program.

> 3. The Housing Authority will transfer the Oak Park Afterschool Program to the YMCA as of June 1, 2011.

- 4. City staff will vacate the modular buildings by May 31, 2011.
- 5. The buildings are no longer useful to the City.
- 6. Selling the buildings will save the City \$10,000 per year in maintenance expenses.
- 7. The Housing Authority has offered to buy the surplus buildings for the use of the YMCA and take over the annual maintenance

Analysis &

Conclusion:

The modular buildings are old and have surpassed their useful lifeexpectancy. The City spends a minimum of \$10,000 per year just to maintain the buildings.

As of May 31, 2011, The City will no longer operate the Oak Park After-School program, rather the Paso Robles Housing Authority will now be contracting with the YMCA to run the program.

The modular buildings have no value to the City and would be extremely expensive to relocate. Selling the modular buildings to the Housing Authority will save the City the expense of removal and scrapping of the buildings.

FISCAL

IMPACT: The City will save approximately \$10,000 per year in maintenance expense.

Options:

a. That the Council adopt Resolution No. 11-XXX approving the sale of the surplus Oak Park modular buildings to the Paso Robles Housing Authority for \$1.00; or

b. Amend, modify, or reject the above option

RESOLUTION NO. 11-XXX

A RESOLUTION OF THE CITY OF EL PASO DE ROBLES APPROVING THE SALE OF THE SURPLUS OAK PARK MODULAR BUILDINGS TO THE PASO ROBLES HOUSING AUTHORITY

WHEREAS, the City Council purchased the modular buildings in the mid-1990's for use in the Oak Park After-School program; and

WHEREAS, the City is no longer operating the after-school program; and

WHEREAS, the modular buildings have passed their useful life-expectancy and have been surplused by the by the City Council at its April 5, 2011 meeting; and

WHEREAS, the Paso Robles Housing Authority plans to continue the after-school program with another contractor and has agreed to purchase the buildings and cover all maintenance costs.

THEREFORE BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles that the surplused Oak Park modular buildings be sold to the Paso Robles Housing Authority for \$1.00.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 5th day of April 2011 by the following vote:

AYES: NOES: ABSTAIN: ABSENT:	
ATTEST:	Duane Picanco, Mayor
Carvn Jackson. Deputy City Clerk	-