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Potential new city hall on Oak Hill Road

By Pippa Fisher



Could this old Blockbuster Movie site become Lafayette's new city hall? Photo Pippa Fisher

As Lafayette continues to explore options for buying new city offices as an alternative to renting, the city council gave the go-ahead to discuss further the possibility of building on Oak Hill Road and at the same time rejected the idea of building on a donated property on Deerhill Road.

City Manager Steve Falk laid out the pros and cons of the two sites at the Nov. 27 council meeting.

In September the city council gave the go-ahead for consideration of opportunities to purchase a building or site for construction of new city-owned offices provided the price tag be kept below \$10 million. It was determined at that price to make better financial sense than continued renting over a period of 50 years. Since the September meeting, Falk said, the city had received two unsolicited offers of possible locations.

Falk explained that the Stuart family, current owners of the property on Oak Hill Road, better known to many as the old Blockbuster Movie building, had approached him to see if the city might be interested. At 52,000 square feet, the site could easily accommodate the 10,000 square foot facility required by the city, plus parking and with enough capacity to add additional conference rooms.

However none of the three existing buildings on the site would be suitable so redevelopment would be necessary. Falk said that although it is a big site and well located, close to BART, retail and downtown - meeting requirements for a new city hall according to the Downtown Specific Plan - he thinks that buying and building there within their below \$10 million range could be a challenge.

The second property, the parcel of land opposite BART on Deerhill Road that Falk presented came with one obvious "pro" - no cost. Charles Clark offered to donate the land that currently is home to the Crosses of Lafayette Peace Memorial.

But on such a steep hillside, initial drawings of a city office in this location showed that the building would exceed the General Plan's height limit by as much as 15 feet. Furthermore the General Plan calls for restricting commercial and multifamily uses to the south side of the freeway and Falk again quoted the DSP's recommendation to keep city offices in the Plaza or downtown retail districts.

The council unanimously agreed to schedule a closed session to discuss price, terms and negotiation strategy on the Oak Hill property. However the council (minus Vice Mayor Don Tatzin, who had recused himself from the Deerhill Road presentation due to potential conflict of interest) agreed that the Deerhill property be rejected.

In the end, it will come down to the bottom line and whether the city can accomplish what it needs within its budget. However not all residents believe that is likely.

One such resident, Michael Walker, says that the public should have very little confidence that the final cost will come in as predicted.

While the Sept. 25 "Rent vs. Own" study was sensitive to initial land acquisition and final construction costs, Walker says the city has a very poor track record of estimating those costs. "The study suggests a total capital cost of \$9 million using \$6,116,000 available funds (some cash, some property sales). However, the study states that if the cost of the project tips beyond \$10 million, the net present value becomes negative."

Walker says the reasons for public concern are obvious. "The new library has become an enormous (and permanent) drain on city resources. It was constructed with large cost overruns and is expensive to operate. The city has a poor track record with these projects and I think a new city hall project would be more of the same."

Still other residents are supportive of the city owning its own offices, according to responses to the question on the new city online forum of whether to buy or rent. All responses indicate they are in favor of buying with several qualifying that they would like to be assured of cost containment.

As this subject heads into closed session for discussion, as Falk said, this will be their challenge.

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