| Juma  | <b>REQUEST FOR CITY COUNCIL ACTION</b> |   |  |  |  |
|---|--|---|--|--|--|
| MEETING DATE:   | September 6, 2017                      | <ul> <li>Motion</li> <li>Resolution</li> </ul>                |  |  |  |
| DEPARTMENT:   | City Attorney                          | ☐ Ordinance - Introduction                                    |  |  |  |
| DIVISION:   |  | <ul><li>Ordinance - Adoption</li><li>Public Hearing</li></ul> |  |  |  |
| TITLE:<br>Declare Surplus and Authorize Sale: 9503 S. Avenue 7E |  |   |  |  |  |

## SUMMARY RECOMMENDATION:

Adopt an ordinance declaring a City-owned residential structure, located on non-city-owned property at 9503 S. Avenue 7E, as surplus property and authorize sale of the surplus residence to the owners of the real property on which the structure is located. (City Attorney) (Richard W. Files)

## **REPORT:**

On December 5, 2007, City Council adopted Ordinance O2007-64, amending Ordinance O2007-18, which authorized the City to acquire certain parcels of real property in order to construct, operate and maintain roadway improvements for Avenue 7E, south of Highway 95 and north of 24<sup>th</sup> Street (the "Avenue 7E Improvements"). After filing a condemnation action, the City entered into a Settlement and Purchase Agreement (the "Settlement Agreement") with the property owners in which the City purchased certain portions of real property (the "Real Property") for the purpose of constructing future Avenue 7E Improvements.

The City also purchased an existing residential structure (the "Residence") located at 9503 S. Avenue 7E on Yuma County Assessor's Parcel No. 108-32-003 B, referenced in the location map/Exhibit A. The Residence was purchased with the intent to demolish the Residence in order to avoid severance damages, costs and issues associated with constructing a structural retaining wall along the length of the residential property in connection with anticipated future Avenue 7E Improvements.

Under the terms of the Settlement Agreement, the City leased the Residence back to the property owners on a month-to-month basis for the sum of \$750.00, until such time as the City was prepared to construct the Avenue 7E Improvements and demolish the Residence or the property owners cancelled the month-to-month lease. The Avenue 7E Improvements will not be constructed until some future, date and time.

The underlying property owners have requested to either re-purchase the Residence from the City for the sum of Fifty Thousand Dollars and No/100 (\$50,000.00) or have the City demolish and remove the Residence pursuant to the terms of the Settlement Agreement. The demolition of the Residence would cost the City approximately \$11,000.00.

The attached proposed ordinance declares the Residence surplus, and authorizes a sale of the Residence back to the underlying property owners. The purchase and sale documents will include an acknowledgement by the buyer that the purchase of the Residence is made with full knowledge that the Avenue 7E Improvements may or may not be constructed in the future, and that the buyer of the Residence has been reimbursed in full for any and all severance damages attributable to the construction or reconstruction of the Avenue 7E Improvements.

|                        | CITY FUNDS:  | \$0.00                     | BUDGETED:  | \$0.00               |  |  |
|------------------------|--|----------------------------|--|----------------------|--|--|
| FISCAL REQUIREMENTS    | STATE FUNDS:   | \$0.00                     | AVAILABLE TO TRANSFER:                               | \$0.00               |  |  |
|                        | FEDERAL FUNDS:   | \$0.00                     | IN CONTINGENCY:                                      | \$0.00               |  |  |
|                        | OTHER SOURCES:   | \$0.00<br>\$0.00<br>\$0.00 | FUNDING FOR THIS ITEM IS FO<br>ACCOUNT / FUND / CIP: | UND IN THE FOLLOWING |  |  |
|                        | Total:   | \$0.00                     |  |                      |  |  |
|                        | FISCAL IMPACT STATEMENT:<br>The sale of the Residence will increase City revenue by \$50,000.00 and save the City the cost of demolishing the Residence.   |                            |  |                      |  |  |
|                        |  |                            |  |                      |  |  |
| ADDITIONAL INFORMATION | SUPPORTING INFORMATION NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT IS ON FILE IN<br>THE OFFICE OF THE CITY CLERK:<br>1. Ordinance O2007-18, and associated documents;<br>2. Ordinance O2007-64, and associated documents;<br>3. May 9, 2009, Settlement and Purchase Agreement with the Days;<br>4. Lease Agreement with the Days; and<br>5. Ordinance O2010-41, and associated documents.<br>IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE<br>FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?<br>Department<br>City Clerk's Office<br>Document to be recorded |                            |  |                      |  |  |
| SIGNATURES             | CITY ADMINISTRATOR:  |                            |  | DATE:                |  |  |
|                        | Gregory K. Wilkinson   |                            |  | 8/8/2017             |  |  |
|                        | REVIEWED BY CITY ATTORNEY:   |                            |  | DATE:<br>8/7/2017    |  |  |
|                        | Richard W. Files   |                            |  | 0/1/2017             |  |  |
|                        | RECOMMENDED BY (DEPT/DIV HE  | EAD):                      |  | DATE:                |  |  |
|                        | WRITTEN/SUBMITTED BY:  |                            |  | DATE:                |  |  |