

ORDINANCE NO. O2017-003

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, VACATING DESCRIBED RIGHT-OF-WAY, DECLARING AS SURPLUS THE VACATED RIGHT-OF-WAY AND CERTAIN OTHER CITY-OWNED REAL PROPERTY, HEREAFTER DESCRIBED, AND AUTHORIZING THE SALE OF THE SURPLUS REAL PROPERTY THROUGH AN AMENDMENT TO THE REAL PROPERTY SALE AND ECONOMIC DEVELOPMENT AGREEMENT APPROVED BY RESOLUTION R2016-041

WHEREAS, the City of Yuma (City) is authorized, pursuant to the Yuma City Charter, Article III, Section 2, to acquire and dispose of real property; and,

WHEREAS, Ordinance No. O2016-038 declared surplus approximately 17 acres (742,670.436 square feet) of City-owned real property located at the northwest corner of Avenue 4 ½ E and 36th Street and authorized the sale of the surplus 17 acres through a competitive Request for Proposal/Request for Offer (RFP/RFO) process; and,

WHEREAS, Resolution R2016-041 describes the terms of the sale of the 17 acres through a Real Property Sale and Economic Development Agreement (Agreement) with ST Partners, LLC (ST Partners) which was attached and incorporated by reference into Resolution R2016-038 as Exhibit A; and,

WHEREAS, ST Partners has agreed to construct and operate a 120,000 square foot food processing plant employing 100 full-time, non-seasonal workers on the 17 acres; and,

WHEREAS, in order to construct the food processing plant, ST Partners has requested to purchase 28,009.564 square feet of additional property from the City at \$1.90 per square foot; and,

WHEREAS, the City has 14,350 square feet of right-of-way on the western boundary of Avenue 4 ½ E (approximately a 10-foot strip of right-of-way), legally described in Exhibit A to this Ordinance and located adjacent to and east of the 17 acres; and,

WHEREAS, the right-of-way described in Exhibit A is no longer needed by the City because the classification of Avenue 4 ½ E has been determined by City staff to be a collector street rather than a minor arterial; and,

WHEREAS, there is an additional 13,659.564 square feet of City-owned real property, described in Exhibit B, consisting of an approximate 18-foot strip of property on the west boundary of the 17 acres that will no longer be needed for City access since a 20-foot drive will provide sufficient ingress and egress to the northern (City-owned) parcel; and,

WHEREAS, once vacated, both the 14,350 square feet of vacated right-of-way described in Exhibit A and the 13,659.564 square feet described in Exhibit B are no longer required for City use, and can be declared surplus and sold to ST Partners; and,

WHEREAS, selling the described surplus City-owned real property with the 17 acres previously declared surplus and authorized for sale will serve the public interest and public benefit by returning vacant land to a productive use, contribute to the creation of employment and other economic opportunities, and the generation of property tax revenues.

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Yuma as follows:

SECTION 1: The right-of-way described in Exhibit A is vacated pursuant to A.R.S. § 28-7205(2) and declared surplus for use by the City.

SECTION 2: The real property described in Exhibit B is declared surplus for use by the City.

SECTION 3: Both of the surplus parcels described in Exhibit A and Exhibit B are authorized to be sold to ST Partners, LLC at a purchase price of \$1.90 per square foot in addition to the approximate 17-acre parcel previously authorized for sale to ST Partners, LLC.

SECTION 4: The City Administrator is authorized and directed to amend the terms of the Real Property Sale and Economic Development Agreement (Agreement) attached as Exhibit A to Resolution R2016-041 as follows:

(a) The legal description for 770,680 square feet of City-owned real property, attached to this Ordinance as Exhibit C shall replace the legal description in Exhibit 1 of the Agreement and replace the legal description in Exhibit A to the Special Warranty Deed (Exhibit 2 of the Agreement).

(b) Section 5.1 of the Agreement shall be amended to read (underlining shows required amendment),

“The purchase price for the Property shall be one dollar and ninety cents (\$1.90) per square foot for 770,680 square feet of vacant, unimproved real property. The total purchase prices shall be one million, four hundred sixty-four thousand, two hundred and ninety-two dollars and no cents (\$1,464,292.00). Of this amount, the City acknowledges receipt of seventy thousand, five hundred and fifty-two dollars (\$70,552) paid to the City by certified check (“**Earnest Money Deposit**”) when Developer submitted its Offer to Purchase. This leaves a balance (“**Purchase Balance**”) due to the City of Yuma at the Close of Escrow in the amount of one million, three hundred ninety-three thousand, seven hundred forty dollars and no cents (\$1,393,740.00).”

SECTION 5: No additional material changes shall be made to the Agreement without the approval of City Council unless the change is minor and necessary to effectuate the intent of this Ordinance. The remainder of Resolution R2016-041 shall remain in full force and effect.

SECTION 6: The City Administrator is authorized to execute all documents consistent with this Ordinance on behalf of the City of Yuma.

Adopted this _____ day of _____, 2017.

APPROVED:

Douglas J. Nicholls
Mayor

ATTESTED:

APPROVED AS TO FORM:

Lynda L. Bushong
City Clerk

City Attorney