



# REQUEST FOR CITY COUNCIL ACTION

**MEETING DATE:** June 20, 2018

**DEPARTMENT:** City Attorney

**DIVISION:**

- ☒ Motion
- ☐ Resolution
- ☐ Ordinance - Introduction
- ☐ Ordinance - Adoption
- ☐ Public Hearing

**TITLE:**

Real Property Exchange: Maha, LLC Option Agreement

**SUMMARY RECOMMENDATION:**

Acquire the first of two parcels of real property located at 1230 S. 2<sup>nd</sup> Avenue through an exchange for surplus City-owned property in accordance with the terms of the attached Option Agreement. Approval of this motion authorizes City staff to exercise the option. (Utilities) (Jay Simonton)

**REPORT:**

The City has entered into a \$1.00 Option Agreement for the acquisition of the first of two lots located at 1230 S. 2nd Avenue. The City needs the two lots to accommodate the new Utilities Administration Complex and minimize construction costs (one alternative to acquiring the parcels would be to add a second story to the complex at significantly increased construction costs). This is the first of two such option agreements, with the option for the second necessary parcel scheduled for the July 18<sup>th</sup> regular City Council meeting.

The attached option, if exercised, will allow the City to exchange the City-owned property (a vacant lot) at 1128 S. 1<sup>st</sup> Avenue for the desired parcel. The City-owned parcel was previously declared surplus and authorized for exchange pursuant to Ordinance No. 2018-018 adopted May 16, 2018. The parcel being acquired by the City in the exchange was previously authorized for acquisition through Ordinance No. 2018-023 also adopted May 16, 2018.

The terms of this first option represent a simple exchange of land with the City paying for the cost of escrow. The surplus City-owned parcel is 7,000 square feet, more or less, and the parcel being acquired by the City from Maha, LLC is 7,660 square feet, more or less. The surplus City parcel was acquired in 2013 to settle a claim after a sanitary sewer incident severely damaged the residence on the property. The City subsequently demolished the home. The now vacant lot is suitable for redevelopment with a residence.

Approval of this motion authorizes City staff to exercise the option and to acquire the desired parcel in accordance with the terms of the option.

FISCAL REQUIREMENTS	CITY FUNDS:	\$1,000.00	BUDGETED:	\$0.00
	STATE FUNDS:	\$0.00	AVAILABLE TO TRANSFER:	\$0.00
	FEDERAL FUNDS:	\$0.00	IN CONTINGENCY:	\$0.00
	OTHER SOURCES:	\$0.00	FUNDING FOR THIS ITEM IS FOUND IN THE FOLLOWING ACCOUNT / FUND / CIP: CIP Project No. 421-97-77.8110	
		\$0.00		
		\$0.00		
TOTAL:	\$1,000.00			
FISCAL IMPACT STATEMENT:				
ADDITIONAL INFORMATION	SUPPORTING INFORMATION NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT IS ON FILE IN THE OFFICE OF THE CITY CLERK:			
	1. Ordinance No. 2018-018 2. Ordinance No. 2018-023 3. 4. 5.			
ADDITIONAL INFORMATION	IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?			
	<input checked="" type="radio"/> Department <input type="radio"/> City Clerk's Office <input type="checkbox"/> Document to be recorded <input type="checkbox"/> Document to be codified			
SIGNATURES	CITY ADMINISTRATOR:		DATE:	
	Gregory K. Wilkinson		6/11/2018	
	REVIEWED BY CITY ATTORNEY:		DATE:	
	Richard W. Files		6/11/2018	
	RECOMMENDED BY (DEPT/DIV HEAD):		DATE:	
Jay Simonton		6/7/2018		
SIGNATURES	WRITTEN/SUBMITTED BY:		DATE:	
	Erica Rivera		5/22/2018	