Add info #4

FEB 27 2014

EXHIBIT "A"

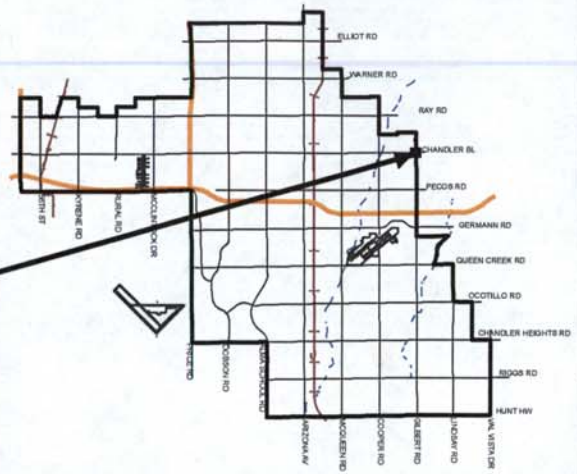
LEGAL DESCRIPTION
City of Chandler
Parcel to be Vacated
Northwest Corner of Gilbert Road
and Chandler Boulevard

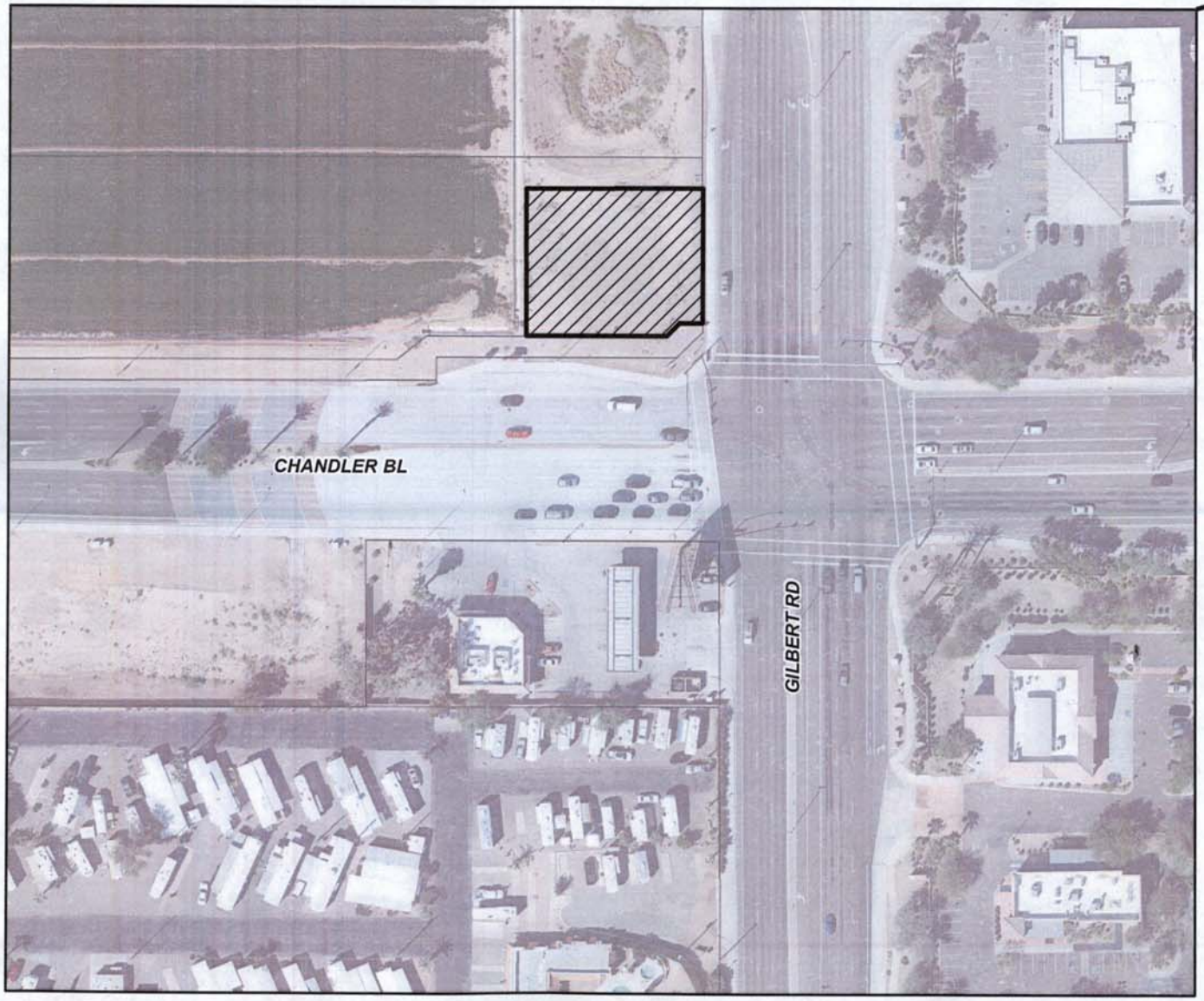
That portion of the Southeast quarter of the Southeast quarter of Section 25, Township 1 South, Range 5 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, said portion being more particularly described as follows:

Commencing at the Southeast corner of said Section 25;
Thence, South 89 degrees, 50 minutes 00 seconds West a distance of 208.71 feet along the South line of said Section 25;
Thence, North 00 degrees, 20 minutes, 08 seconds West a distance of 98.50 feet to the POINT OF BEGINNING;
Thence, continuing North 00 degrees, 20 minutes, 08 seconds West a distance of 110.21 feet;
Thence, North 89 degrees, 50 minutes, 00 seconds East as distance of 132.21 feet to the west right-of-way line of Gilbert Road;
Thence, South along the West right-of-way line of Gilbert Road a distance of 100.71 feet;
Thence, South 89 degrees, fifty minutes, 00 seconds West a distance of 17.09 feet;
Thence, South 44 degrees, 44 minutes, 56 seconds West a distance of 13.42 feet;
Thence, South 89 degrees, 50 minutes, 00 seconds West a distance of 105.62 feet to the POINT OF BEGINNING.

Chandler + Arizona

VACATION OF A PORTION OF THE ROAD RIGHT-OF-WAY AT THE NORTHWEST CORNER OF GILBERT RD AND CHANDLER BL





MEMO NO. RE14-002

ORDINANCE NO. 4469

PARCEL TO BE VACATED

NTS

ChandGIS

F:\ENGINEER\GENSERV_ArcMap_Shared\Map Requests\Real Estate\RE14-002 VACATION PORTION OF ROW NWC OF GILBERT-CHANDLER BL\RE14-002.mxd 9/18/2013 SALLYB

#4

FEB 27 2014

Chandler • Arizona
Where Values Make The Difference

MEMORANDUM Transportation & Development – Council Memo No. RE14-002

DATE: FEBRUARY 27, 2014

TO: MAYOR AND COUNCIL

THRU: RICH DLUGAS, CITY MANAGER RD
MARSHA REED, ASSISTANT CITY MANAGER MR
R. J. ZEDER, TRANSPORTATION & DEVELOPMENT DIRECTOR RJZ

FROM: ERICH KUNTZE, REAL ESTATE COORDINATOR

SUBJECT: ORDINANCE NO. 4469 REPEALING ORDINANCE NO. 3996 AND AUTHORIZING AND APPROVING THE VACATING OF A PORTION OF ROAD RIGHT-OF-WAY AT THE NORTHWEST CORNER OF GILBERT ROAD AND CHANDLER BOULEVARD CONTAINING APPROXIMATELY 14,563 SQUARE FEET OF LAND, CONDITIONED UPON RECEIPT OF $78,566 PLUS CLOSING EXPENSES, IF ANY, AND RESERVING AN EASEMENT OF 1,500 SQUARE FEET FOR A FUTURE CITY MONUMENT SIGN

RECOMMENDATION: Staff recommends introduction and tentative approval of Ordinance No. 4469 repealing Ordinance No. 3996 and authorizing and approving the vacating of a portion of road right-of-way at the northwest corner of Gilbert Road and Chandler Boulevard containing approximately 14,563 square feet of land, conditioned upon receipt of $78,566 plus closing expenses, if any, and reserving an easement of 1,500 square feet for a future City monument sign.

BACKGROUND/DISCUSSION: In 2002, the City acquired property located at the northwest corner of Gilbert Road and Chandler Boulevard (Norton's Corner) for the East Chandler Boulevard Road Improvement Project. The parcel was improved with a building and business and contained approximately 43,560 square feet. The acquisition cost the City approximately $430,332 or $9.88 per square foot. The intersection improvement project was completed. However, approximately 14,563 square feet of land remained as a remnant. In 2008, Starpointe Communities requested that the City vacate the remaining 14,563 square feet of right-of-way so that it could be incorporated into their project. Council adopted Ordinance No. 3996 authorizing the vacation in consideration for payment of $148,498 and reserving a sign easement. However, Starpointe Communities was not able to obtain the funds necessary to develop their property and did not complete the proposed transaction with the City. As a result, Ordinance No. 3996 was never recorded and the vacation never occurred.

Starpointe Communities recently sold the property to KB Home Phoenix, Inc. KB Home Phoenix, Inc., has indicated an interest in acquiring the parcel with the sign easement reserved from the City for a price of $78,566 plus closing costs, if any. This represents KB Home Phoenix, Inc.'s cost basis for the adjacent property of approximately $5.39 per square foot.

In accordance with a previous Intergovernmental Agreement, the City of Chandler and the Town of Gilbert shared costs for developing the Gilbert Road and Chandler Boulevard Improvement Project. Under that agreement, the Town of Gilbert is entitled to receive reimbursement of its contribution to the acquisition of the Norton's Corner parcel at a rate of forty-four percent (44%) of the proceeds upon sale of the parcel.

Staff recommends vacating the City's remnant parcel at its cost basis plus closing expenses.

Real Estate has contacted the appropriate City departments and outside utilities. Each has reviewed this request. There were no objections to vacating the parcel.

FINANCIAL IMPLICATIONS:

Cost:	Closing costs
Long Term Savings:	$78,566 (plus closing costs in cash)
	$34,569 (reimbursement to Town of Gilbert)
	$43,997 (net compensation to City of Chandler)
Long Term Costs:	Maintenance of sign easement area

PROPOSED MOTION: Staff recommends introduction and tentative approval of Ordinance No. 4469 repealing Ordinance No. 3996 and authorizing and approving the vacating of a portion of road right-of-way at the northwest corner of Gilbert Road and Chandler Boulevard containing approximately 14,563 square feet of land, conditioned upon receipt of $78,566 plus closing expenses, if any, and reserving an easement of 1,500 square feet for a future City monument sign.

Attachments:
Ordinance No. 4469

ORDINANCE NO. 4469

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, REPEALING ORDINANCE NO. 3996; AUTHORIZING AND APPROVING VACATING A PORTION OF ROAD RIGHT-OF-WAY AT THE NORTHWEST CORNER OF GILBERT ROAD AND CHANDLER BOULEVARD CONTAINING APPROXIMATELY 14,563 SQUARE FEET OF LAND, CONDITIONED UPON RECEIPT OF $78,566 PLUS CLOSING EXPENSES, IF ANY, AND RESERVING AN EASEMENT FOR A FUTURE CITY MONUMENT SIGN.

WHEREAS, A.R.S. §28-7201 *et seq.*, provides for the disposition of unnecessary public roadways; and

WHEREAS, the roadway vacation authorized by Ordinance No. 3996 has failed according to its terms; and

WHEREAS, that certain portion of the northwest corner of Gilbert Road and Chandler Boulevard located north of the USA irrigation canal and west of Gilbert Road and which is more fully described in Exhibit "A", attached hereto and incorporated herein by reference, is no longer needed as public roadway;

WHEREAS, A.R.S. §28-7205 specifically provides for the vacating of unnecessary public roadway so as to allow title to vest according to law; and

WHEREAS, KB Home Phoenix, Inc., acquired property abutting Exhibit "A" from Starpointe Communities and is willing to pay the City $78,566, plus closing costs, if any, for the right-of-way described in Exhibit "A" subject to the City's reservation of an easement for a future monument sign, as consideration;

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

Section 1. Ordinance No. 3996 is hereby repealed in its entirety.

Section 2. The Public Roadway legally described in Exhibit "A" (the "Roadway") is determined to be no longer necessary for public use as a roadway.

Section 3. The Roadway is hereby vacated, so that title thereto is vested in the owner of the land abutting the Roadway or as otherwise provided by law pursuant to the provisions of A.R.S. §28-1902(A), subject to the same encumbrances, liens, limitations, restrictions and estates as exist on the land to which it accrues.

Section 4. The vacating of the Roadway is not intended and shall not be deemed to vacate any rights-of-way or easements for existing water, sewer, gas or similar pipelines and appurtenances, and for existing canals, laterals or ditches and appurtenances, and for electric,

telephone and similar lines and appurtenances, and the same, if there are any, shall continue as they existed prior to the vacating of the Roadway pursuant to this Ordinance.

Section 5. The vacating of the Roadway is further subject to the following easement reservation: a permanent, exclusive easement for the installation and continued use and maintenance of a City monument sign, together with access thereto, to be installed in and upon a land area of 1,500 square feet, with dimensions of 15 feet by 100 feet, to be located upon such portion of the Roadway as may be selected by the City at such time as a plat is recorded or building permit issued for development of the land abutting the Roadway.

Section 6. The vacation of the Roadway, subject to the reserved sign easement, is approved in consideration of the receipt from the owner of the abutting property of the sum of $78,566.00, plus closing costs, if any, payable in U. S. Dollars. Such amount is deemed by the Chandler City Council as commensurate with the value of the Roadway.

Section 7. The action taken herein to vacate the Roadway pursuant to this Ordinance is done solely to dispose of the City of Chandler's interest, if any, in the Roadway, subject to the terms and conditions stated in this Ordinance, and to any easements reserved herein by the City, and the City of Chandler does not warrant, either expressly or by implication, that it holds title or any other interest in the Roadway.

Section 8. The Mayor of the City of Chandler, Arizona, is hereby authorized to sign, on behalf of the City, this Ordinance and all other documents required and necessary to complete the abandonment and vacation of the Roadway.

Section 9. The City Clerk is directed to cause this Ordinance No. 4469 to be recorded in the office of the Maricopa County Recorder as directed by the Chandler City Attorney, but in no event earlier than thirty (30) days following the date that this Ordinance 4469 is passed and adopted. The vacation of the Roadway shall take effect upon recordation of this Ordinance No. 4469.

INTRODUCED AND TENTATIVELY APPROVED by the City Council of the City of Chandler, Arizona, this _____ day of _____, 2014.

ATTEST:

_____ _____

CITY CLERK MAYOR

PASSED AND ADOPTED by the Mayor and City Council of the City of Chandler, Arizona, this _____ day of _____, 2014.

ATTEST:

_____ _____

CITY CLERK MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Ordinance No. 4469 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the _____ day of _____, 2013 and that a quorum was present thereat.

_____
CITY CLERK

PUBLISHED:

APPROVED AS TO FORM:

_____
CITY ATTORNEY GAG