

#4
APR 24 2014



Chandler • Arizona
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MEMORANDUM

Real Estate Council Memo No. RE14-014

DATE: APRIL 24, 2014

TO: MAYOR AND COUNCIL

THRU: RICH DLUGAS, CITY MANAGER *RD*
MARSHA REED, ASSISTANT CITY MANAGER *MR*
DAVID SIEGEL, MUNICIPAL UTILITIES DIRECTOR *DS*

FROM: ERICH KUNTZE, REAL ESTATE COORDINATOR

SUBJECT: RESOLUTION NO. 4709 AUTHORIZING THE ACQUISITION IN FEE OF APPROXIMATELY 43,048 SQUARE FEET OF LAND FROM THE STATE OF ARIZONA, ARIZONA DEPARTMENT OF TRANSPORTATION (SELLER), LOCATED NEAR THE NORTHEAST CORNER OF KYRENE ROAD AND STATE ROUTE 202, FOR INSTALLATION OF THE WEST CHANDLER FORCE MAIN FOR ONE HUNDRED FIFTY-SIX THOUSAND TWO HUNDRED AND SIXTY-FOUR AND 24/100THS (\$156,264.24) DOLLARS, PLUS CLOSING COSTS OF APPROXIMATELY ONE THOUSAND EIGHT HUNDRED (\$1,800.00) DOLLARS; AND AUTHORIZE THE REAL ESTATE COORDINATOR TO SIGN, ON BEHALF OF THE CITY, THE PURCHASE AGREEMENT AND ANY OTHER DOCUMENTS NECESSARY TO FACILITATE AND COMPLETE THIS TRANSACTION

RECOMMENDATION:

Staff recommends City Council adopt Resolution No. 4709 authorizing the acquisition in fee of approximately 43,048 square feet of land from the State of Arizona, Arizona Department of Transportation (Seller), located near the northeast corner of Kyrene Road and State Route 202, for one hundred fifty-six thousand two hundred and sixty-four and 24/100ths (\$156,264.24) dollars, plus closing costs of approximately one thousand eight hundred (\$1,800.00) dollars; and authorize the Real Estate Coordinator to sign, on behalf of the City, the Purchase Agreement and any other documents necessary to facilitate and complete this transaction.

BACKGROUND/DISCUSSION:

The Municipal Utilities Department has completed construction of the West Chandler Force Main, Project No. WW-1012 (the "Project"), which required extending piping under State Route 202 from north to south. In order to accommodate the construction of the Force Main, the City entered into an agreement with the Arizona Department of Transportation (ADOT) that allowed the City to use a previously installed conduit to construct for this purpose. There was an understanding that the City would acquire a portion of ADOT's surplus property once the work was complete. Acquisition of this parcel will provide access for future maintenance, service, and security for the facilities. The site consists of approximately 43,048 square feet of excess land owned by the State of Arizona, Arizona Department of Transportation (Seller), located on the north side of State Route 202 just east of Kyrene Road. The City has reached an agreement with the Seller to purchase this parcel for its appraised value of \$156,264.24 (approximately \$3.63, per square foot) plus closing costs of approximately \$1,800.00. The City is also receiving a 20 foot wide ingress/egress easement from the Seller at no extra cost to provide access to the parcel from Kyrene Road.

The purchase price was based upon an appraisal provided by the Seller, and was reviewed by Staff. Staff has determined that the purchase price is fair and in the Public's best interest.

FINANCIAL IMPLICATIONS:

Payment for the property will come from funds provided for in the West Chandler Force Main Project:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
611.3910.6210.6WW196	Wastewater Bonds	Collection Systems Facility Improvements	Yes	\$158,064.24

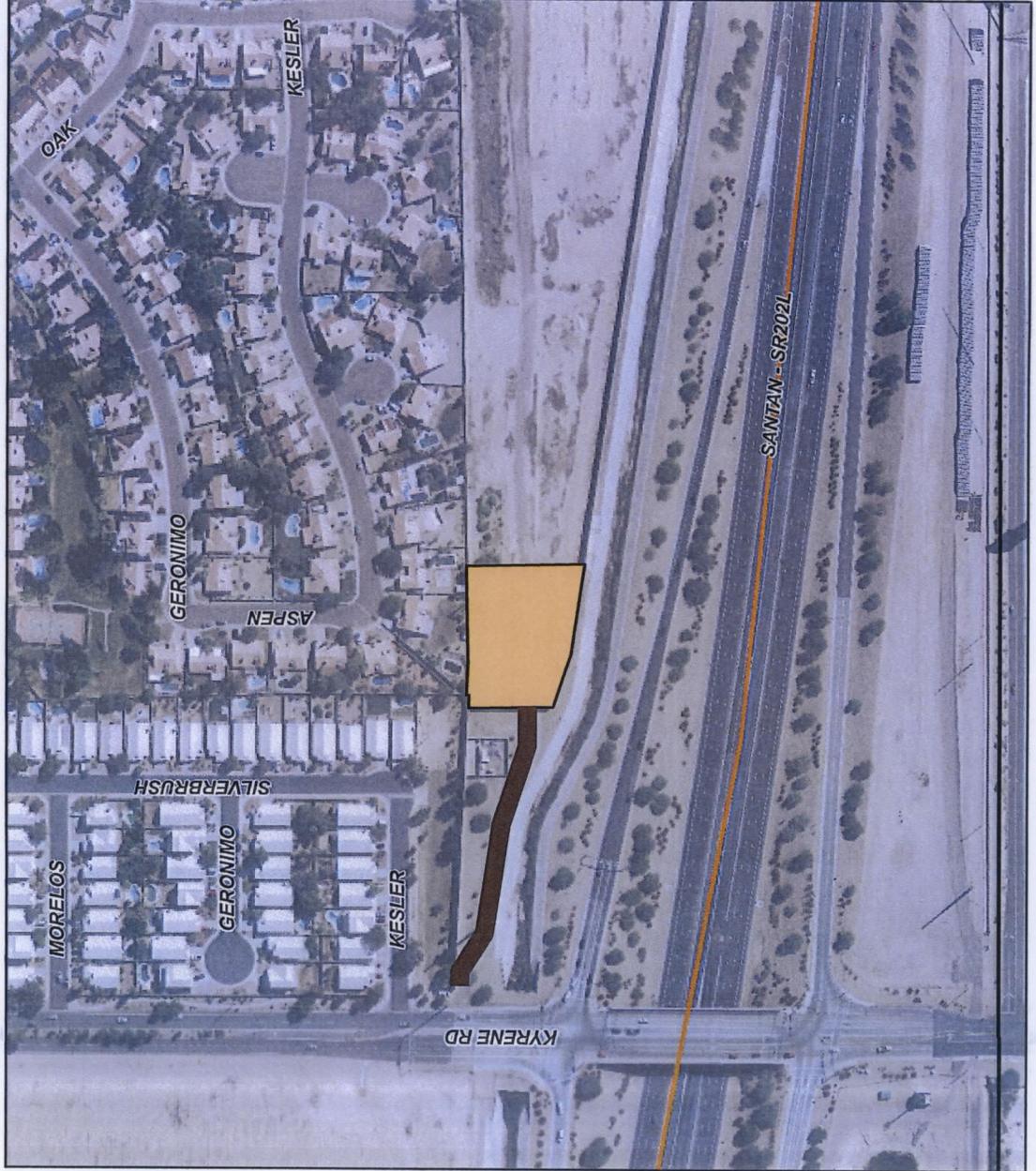
PROPOSED MOTION:

Move City Council adopt Resolution No. 4709 authorizing the acquisition in fee of approximately 43,048 square feet of land from the State of Arizona, Arizona Department of Transportation (Seller), located near the northeast corner of Kyrene Road and State Route 202, for one hundred fifty-six thousand two hundred and sixty-four and 24/100ths (\$156,264.24) dollars, plus closing costs of approximately one thousand eight hundred (\$1,800.00) dollars; and authorize the Real Estate Coordinator to sign, on behalf of the City, the Purchase Agreement and any other documents necessary to facilitate and complete this transaction.

Attachments: Resolution No. 4709
Location/Site Map



ACQUIRE LAND FROM STATE OF ARIZONA FOR WEST CHANDLER FORCE MAIN PROJECT



RE14-014

RESOLUTION NO. 4709

-  LAND ACQUISITION
-  20' WIDE INGRESS/EGRESS EASEMENT



RESOLUTION NO. 4709

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA , AUTHORIZING THE ACQUISITION IN FEE OF APPROXIMATELY 43,048 SQUARE FEET OF LAND FROM THE STATE OF ARIZONA, ARIZONA DEPARTMENT OF TRANSPORTATION (SELLER) LOCATED NEAR THE NORTHEAST CORNER OF KYRENE ROAD AND STATE ROUTE 202 FOR INSTALLATION OF THE WEST CHANDLER FORCE MAIN FOR ONE HUNDRED FIFTY-SIX THOUSAND TWO HUNDRED AND SIXTY-FOUR AND 24/100THS (\$156,264.24) DOLLARS, CLOSING COSTS OF APPROXIMATELY EIGHTEEN HUNDRED (\$1,800.00) DOLLARS, AND AUTHORIZING THE REAL ESTATE COORDINATOR TO SIGN, ON BEHALF OF THE CITY, THE PURCHASE AGREEMENT AND ANY OTHER DOCUMENTS NECESSARY TO FACILITATE AND COMPLETE THIS TRANSACTION.

WHEREAS, it is necessary for the City to acquire a fee interest in approximately 43,048 square feet of land located near the northeast corner of Kyrene Road and State Route 202 for the construction of a portion of the West Chandler Force Main, Project WW-1012, from the State of Arizona, Arizona Department of Transportation (Seller); and

WHEREAS, the City and the Seller have negotiated a price of one hundred fifty-six thousand two hundred sixty-four and 24/100ths (\$156,264.24) dollars for the property, plus closing costs of approximately eighteen hundred (\$1,800.00) dollars; and

WHEREAS, the City is authorized by law to acquire such real property as is needed for public purposes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chandler, Maricopa County, Arizona, as follows:

Section 1. It is hereby determined that the acquisition of the real property needed for the West Chandler Force Main Project, as more fully described in the attached Exhibit "A", is for a public and necessary purpose, and is in the best interest of the citizens of the City of Chandler.

Section 2. The City is authorized and directed to purchase the real property depicted in Exhibit "A" for One Hundred Fifty-Six Thousand Two Hundred and Sixty-Four and 24/100ths (\$156,264.24) Dollars, plus closing costs of approximately eighteen hundred (\$1,800.00) dollars.

Section 3. That the written offer and purchase agreement shall be in a form approved by the Chandler City Attorney prior to being deposited into escrow.

Section 4. Subject to Section 3 above, the City's Real Estate Coordinator, is authorized to make the written offer for said real property and, where accepted, to execute, deliver and deposit into escrow the approved purchase agreement, along with all other documents, funds and instructions necessary to consummate the purchase of said real property.

PASSED AND ADOPTED by the City Council of the City of Chandler, Maricopa County, Arizona, this ___ day of _____, 2014.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4709 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the ___ day of _____, 2014, and that a quorum was present thereat.

CITY CLERK

APPROVE AS TO FORM

CITY ATTORNEY (KS)

EXHIBIT "A"

That portion of the Southwest quarter of the Southwest quarter (SW¼SW¼) of Section 34, Township 1 South, Range 4 East, Gila and Salt River Meridian, Maricopa County, Arizona, described as follows:

Commencing at a BLM brass cap marking the Southwest corner of said Section 34, being South 00°07'40" East 2648.90 feet from a brass cap marking the West quarter corner of said Section 34;

thence along the West line of said Section 34, North 00°07'40" West 927.56 feet;

thence North 89°52'20" East 65.00 feet to the point of juncture of the existing northerly right of way line of State Route 202L (SANTAN FREEWAY) with the existing easterly right of way line of Kyrene Road;

thence along said existing northerly right of way line of State Route 202L South 87°21'29" East 493.23 feet to the POINT OF BEGINNING;

thence continuing along said existing northerly right of way line, South 87°21'29" East 22.35 feet to the South subdivision boundary line of CARRINGTON PLACE, according to Book 288, page 27, records of Maricopa County, Arizona, which is coincident with said existing northerly right of way line;

thence continuing along said existing northerly right of way line and along said South subdivision boundary line of CARRINGTON PLACE, South 87°21'29" East 101.59 feet;

thence continuing along said existing northerly right of way line and South subdivision boundary line of CARRINGTON PLACE, North 88°53'26" East 120.05 feet;

thence South 01°09'28" East 198.01 feet to the North face of the existing northerly sound wall of said State Route 202L;

thence along said North face of the existing northerly sound wall, North 81°33'55" West 156.85 feet;

thence continuing along said North face of the existing northerly sound wall, North 71°30'38" West 94.98 feet to the East face of said existing northerly sound wall;

thence along said East face of the existing northerly sound wall, North 01°00'29" West 148.25 feet to the POINT OF BEGINNING.

43,048 square feet, more or less.

(continued)

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PROJECT: 202L MA 050 H0874	LOCATION: I-10 – Price Rd	PARCEL: L-M-432A
600-7-701	Disposal	CG 3/07/2014

TOGETHER WITH a 20.00 foot ingress/egress easement for the sole use of the Grantee over the Grantor's property to the West of the above described property, said easement is on the northerly side of an existing drainage channel that was constructed for the protection of said State Route 202L and extends easterly from an existing gate in the fence on the easterly side of Kyrene Road to an existing gate in the existing sound wall along the westerly side of the above described property.

The parcel of land herein conveyed shall have no right or easement of access to or from said State Route 202L.

GRANTOR RESERVES unto the public and various utility companies, easements for existing utilities, if any, within the above described property, in accordance with Arizona Revised Statute 28-7210. Access to the existing utilities will be by way of what exists at the time of this conveyance and shall be the responsibility of the Grantee herein and of the public or utility companies to show where that access is located.

ALSO RESERVING UNTO the Grantor, their successors and/or assigns, an easement over the southerly 15.00 feet and the westerly 15.00 feet of the above described property, for future construction and maintenance of the sound wall and appurtenances thereto, including footers, together with the right of ingress and egress for said purposes.

ALSO RESERVING UNTO the Grantor, an exclusive easement for ingress and egress that is 20.00 feet in width across the above described property to access the adjoining property to the East.

Should at any time the property conveyed not be utilized for a public purpose, said property shall be conveyed back to the Arizona Department of Transportation pursuant to A.R.S 28-7095 B.

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PROJECT: 202L MA 050 H0874	LOCATION: I-10 – Price Rd	PARCEL: L-M-432A
600-7-701	Disposal	CG 3/07/2014

**ARIZONA DEPARTMENT OF TRANSPORTATION
RIGHT OF WAY GROUP/PROPERTY MANAGEMENT SECTION
EXCESS LAND PURCHASE AGREEMENT AND RECEIPT FOR DEPOSIT**

Project No.: 202LMA050H0874

Date: 1-22-2014

Sale No. L-M-432A

Received from City of Chandler, an Arizona municipal corporation, herein called Purchaser, the sum of Fifteen Thousand Six Hundred Twenty Six dollars and Forty-Two cents (\$15,626.42) as earnest deposit for the purchase of the State's interest in the real property known as Excess Land # L-M-432A; A piece of vacant land in fee to construct a new sewer line for the City of Chandler Of approximately 43,048 sqft located at along the north side of the Loop 202 Freeway and east of Kyrene Rd. , Maricopa County, Arizona and as shown on Exhibit "A" attached hereto.

By: _____
Geoffrey L. Holloway , Right of Way Agent

SALE PRICE PAYABLE AS FOLLOWS: As consideration, the Purchaser agrees to purchase the State's interest in the above described real property for the full purchase price of One hundred fifty six thousand and two hundred and sixty four Dollars and twenty four cent; (\$156,264.24) payable as follows:

\$ 15,626.42

Initial deposit (We will accept City check)

\$ 0.0

Balance of required 10% deposit to be deposited in escrow within five (5) business days from date.

\$ 140,637.82

Balance of full purchase price, payable at close of escrow.

PURCHASER HEREBY AGREES TO: Close escrow, entered into at Purchaser's expense, with Security Title Agency , 3636 N. Central Ave., , Phoenix , Arizona 85012, Attn: Jason Bryant 602-230-6247, 602-230-_____ jrbryant@securitytitle.com on or before April 21, 2014.

The property shall be conveyed by Special Warranty Deed to: The City of Chandler, an Arizona municipal corporation

The City of Chandler will be responsible for the engineering, construction and perpetual maintenance for a 10' block wall with a 12" wrought iron and cedar wood slats gate at the east end of the parcel. See plot plan. The block wall & gate will be constructed to ADOT's specifications and the entire cost to be paid by the City of Chandler. The City of Chandler will allow ADOT access across and through the City of Chandler's parcel in perpetuity. ADOT's specifications' can be found at <http://www.azdot.gov/docs/default-source/roadway-engineering-library/2012constructionstandarddrawings.pdf>

PURCHASER TO SIGN ATTACHED ENVIRONMENTAL RELEASE FORM. This agreement is made with the understanding that it is subject to the terms and conditions attached hereto and approval by the Intermodal Transportation Division.

PURCHASER: The City of Chandler, an Arizona municipal corporation

By _____
Its Real Estate Coordinator Transportation & Development

Address: P.O. Box 4008, MS 400 Chandler, AZ. 85244
Telephone: 480-782-3397 **Fax:** 480-782-3365 **E-Mail** erich.kuntz@chandleraz.gov

**TERMS OF EXCESS LAND PURCHASE AGREEMENT AND
DEPOSIT RECEIPT**

- ESCROW FEES:** When purchase is accomplished through escrow proceedings, the successful bidder shall pay all escrow and collection fees.
- SALE CLOSING SCHEDULE:** Completion of a cash sale, or close of escrow, shall be scheduled on or before ninety (90) days from 1-22-2014. Any application for extension of time to complete sales transaction must be in writing and approved by ADOT. An additional deposit may be required for any such extension. This non-refundable additional deposit will be applied to the purchase price if the sales transaction closes.
- POSSESSION:** Possession will be granted upon recording of the Special Warranty Deed and any other closing documents required. We will provide the SWD in escrow.
- FORFEITURE OF DEPOSIT:** In the event buyer withdraws its approved bid, or fails to comply with any of the terms of this Agreement, ADOT is hereby entitled to retain the deposit as liquidated damages and buyer forfeits its right to the property.
- NON-ASSIGNABILITY:** This Purchase Agreement and any escrow instructions arising therefrom are not assignable until the escrow has closed.
- ENVIRONMENTAL RELEASE:** Successful bidders for the purchase of excess land must sign an Environmental Release form.
- DISCLAIMER OF WARRANTIES:** The State through the Department of Transportation will convey by Special Warranty Deed only what right, title, and interest it has in the property and does not warrant marketability, sufficiency or color of title, ingress or egress to the property, zoning, utilities, or the ground location of property lines other than monumented highway right of way lines. The property is subject to all valid rights, exceptions and/or reservations (in accordance with Arizona Revised Statute 28-7210), whether or not these matters are of public record. Access to any existing utilities will be by way of what is existing at the time of this conveyance and shall be the responsibility of the Purchaser

herein and the public or utility companies to show where that access is located. The obligation is upon the buyer to examine to their satisfaction the status of all matters affecting the property including the accuracy of title, boundaries, zoning, and physical conditions. If agricultural irrigation is to be supplied, the cost of extending service to the property is totally and expressly the cost of purchaser. It is understood that this Disclaimer of Warranties shall remain in full force and effect regardless of the language contained in any subsequent closing documents or deeds. Should at any time the property conveyed not be utilized for a public purpose, said property shall be conveyed back to the Arizona Department of Transportation pursuant to A.R.S. 28-7095B.

RELEASE
EXCESS LAND NO.: L-M-432

STATE OF ARIZONA)
) SS
County of Maricopa)

The State of Arizona, Arizona Department of Transportation (Seller) and The City of Chandler, an Arizona municipal corporation (Buyer) have entered into a purchase and sale agreement (the Contract) dated 1-22-2014 and concerning the real property described in Exhibit A together with any improvements thereon.

The Contract requires Buyer release Seller of and from all liabilities, obligations and claims, known and unknown, that Buyer may now have against Seller or that may arise in the future based in whole or in part upon the presence of toxic or hazardous substances or other environmental contamination on or within the Property.

Therefore, in return for sale of the Property and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer agrees as follows:

Buyer hereby releases Seller of and from a) any and all claims, demands, causes of action, losses, damages, liabilities, costs and expenses of any kind, known or unknown, past, present or future relating to the Property arising out of any violation of any law, statute, ordinance, rule regulation order of determination of any governmental authority pertaining to health or environment and b) all matters known or unknown, past, present, or future, relating to any act, omission, event or circumstance related to hazardous substances or environmental contamination within, on, or released from the Property.

Buyer's agreement to release Seller is a material portion of the consideration for conveyance of the Property by Seller to Buyer.

The terms and provisions of this Release shall run with the Property and shall be binding upon Buyer and Buyer's successors in interest.

Executed this day of 2014.

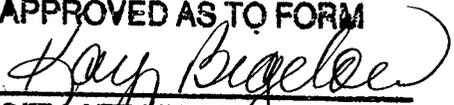
Purchaser: The City of Chandler, an Arizona municipal corporation

By _____
Its Real Estate Coordinator Transportation & Development

SUBSCRIBED AND SWORN before me this day of 2014.

Notary Public

My commission expires:

APPROVED AS TO FORM


CITY ATTORNEY

N89°43'39"E
2633.22'

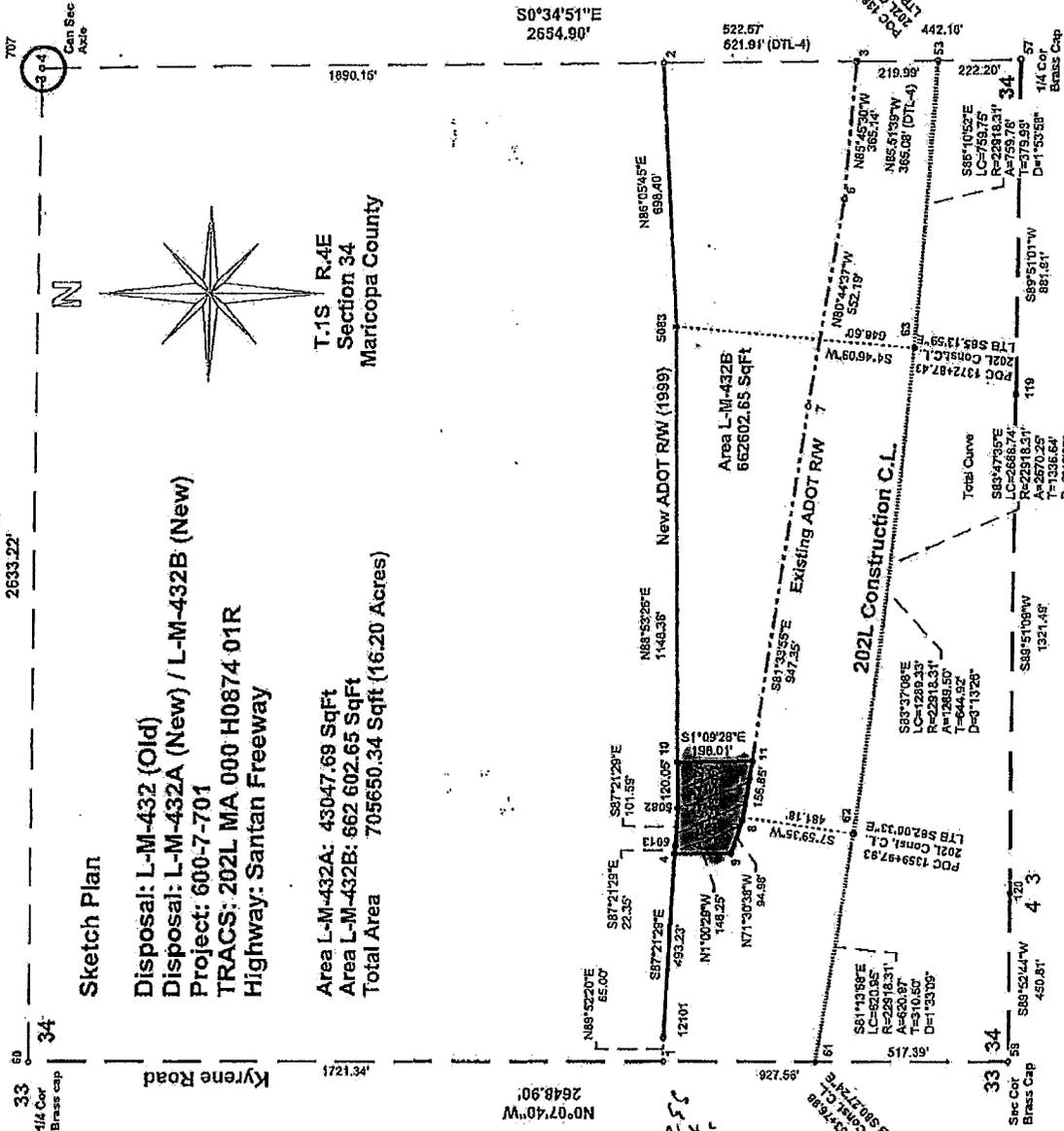


Sketch Plan

Disposal: L-M-432A (Old)
Disposal: L-M-432A (New) / L-M-432B (New)
Project: 600-7-701
TRACS: 202L MA 000 H0874 01R
Highway: Santan Freeway

Area L-M-432A: 43047.69 SqFt
Area L-M-432B: 662 602.65 SqFt
Total Area 705650.34 Sqft (16.20 Acres)

T.1S R.4E
Section 34
Maricopa County



~~COC FEE~~

ACCESS

Access pt.

POC 1984-1-22
LIB 507.07 E
LIB 507.07 E

Sec Cor
Brass Cap
450.51'

Sec Cor
Brass Cap
450.51'

Sec Cor
Brass Cap
450.51'

WHEN RECORDED RETURN TO:
ARIZONA DEPARTMENT OF TRANSPORTATION
R/W PROPERTY MANAGEMENT
205 SOUTH 17TH AVENUE (612E)
PHOENIX, AZ 85007-3212

EXEMPT FROM AFFIDAVIT
By A.R.S. §11-1134-A-3

ARIZONA DEPARTMENT OF TRANSPORTATION SPECIAL WARRANTY DEED

The **STATE OF ARIZONA**, acting by and through its **Department of Transportation**, and pursuant to A.R.S. §28-7095, for and in consideration of the sum of TEN DOLLARS AND OTHER VALUABLE CONSIDERATION, does hereby convey to **The City of Chandler, an Arizona Municipal Corporation**, whose address is P.O.Box 4008, MS 400 Chandler, Az. 85244, that certain real property situated in the county of **Maricopa**, State of Arizona:

SEE EXHIBIT "A" ATTACHED HERETO

AND BY REFERENCE MADE A PART HEREOF.

SUBJECT TO current taxes and assessments, reservations and all easements, rights of way, covenants, conditions, restrictions, liens and encumbrances of record, the Grantor does hereby covenant that it will forever warrant and defend the title to the above described land against the lawful claims of all persons claiming by, through or under the Grantor herein, and no others.

PROJECT: 202L MA 000 H0874 01R SECTION: I-10 PRICE RD L-M-432A

GH

IN WITNESS WHEREOF, this instrument is executed this _____ day of _____, 2014.

ARIZONA DEPARTMENT OF TRANSPORTATION

Paula I. Gibson, Chief Right of Way Agent

NOTARY CERTIFICATION

STATE OF ARIZONA)
) SS
County of Maricopa)

The foregoing instrument was acknowledged before me this _____, 2014, by PAULA I. GIBSON, Chief Right of Way Agent of the ARIZONA DEPARTMENT OF TRANSPORTATION, who acknowledged to me that she executed this instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have set my hand and official seal.

My Commission expires:

Notary Public