

# 18  
SEP 20 2007

MEMO TO: Mayor and City Council

THRU: Michael D. House, City Attorney *MDH*

FROM: Glenn A. Brockman, Assistant City Attorney *GAB*

SUBJECT: Resolution No. 4129, determining that acquisition of real property located at 210 South Washington Street for the construction and development of a new City Hall complex and related off-street parking is a matter of public necessity; authorizing condemnation proceedings to acquire said real property and to obtain immediate possession thereof; and authorizing such relocation assistance as may be required by law.

DATE: September 10, 2007

**RECOMMENDATION:** Staff recommends approval of Resolution No. 4129.

**BACKGROUND/DISCUSSION:** In May, 2006, following a public hearing and submittal of a consultant report, Council approved the site location for a new City Hall complex and related off-street parking facility along both sides of Chicago Street between Arizona Avenue and Washington Street. In July 2006, Council approved Resolution No. 3996 authorizing the purchase of several lots and parcels to be assembled for the construction of the City Hall complex. Construction is expected to begin around June 1, 2008. The City Hall complex is supposed to be completed before the lease for city offices in the Boyer Building expires.

The owner of the property at 210 South Washington Street (southwest corner of Chicago and Washington) received a written offer to purchase the property at fair market value and an appraisal report in or around November 2006. Thereafter, the owner, through his attorney, rejected the offer. Staff then brought forward a resolution authorizing condemnation. However, when the landowner agreed to sell the property to the City for \$325,000, the resolution was withdrawn. A new resolution authorizing the purchase was presented and approved. A purchase agreement was executed and escrow opened. The purchase agreement gave the City a ten-day review period ending September 6, 2007 to inspect the property for any environmental problems.

During this period, the City identified two, unregistered, 1,000-gallon, underground storage tanks on the property, one of which held a small amount of diesel fuel. The City requested that the property owner agree to extend the review period for 60 days and the closing for 75 days, and to otherwise cooperate with the City to allow the tanks to be removed and the soil examined at the City's cost. The landowner's attorney advised that his client was unwilling to grant such time extensions. Because the environmental condition of the property was unknown, but it was reasonably suspected that there was some potential liability for environmental remediation, and the utility of the site for development in the near future, was indeterminable, staff filed a timely notice of cancellation of the escrow.

The property is needed for the development of the proposed City Hall site. All of the property for the site needs to be assembled and cleared so construction can proceed in a timely fashion. Given the position of the landowner, staff is recommending that condemnation proceedings be

initiated to acquire the property at this location. This will allow the City to be able to adequately inspect the physical condition of the property to assure its utility and to better determine the land's value given its physical condition. Staff also recommends that immediate possession of the subject property be authorized since it may take several months to assure sufficient access to the site is available to meet the City's schedule for development of the city hall complex.

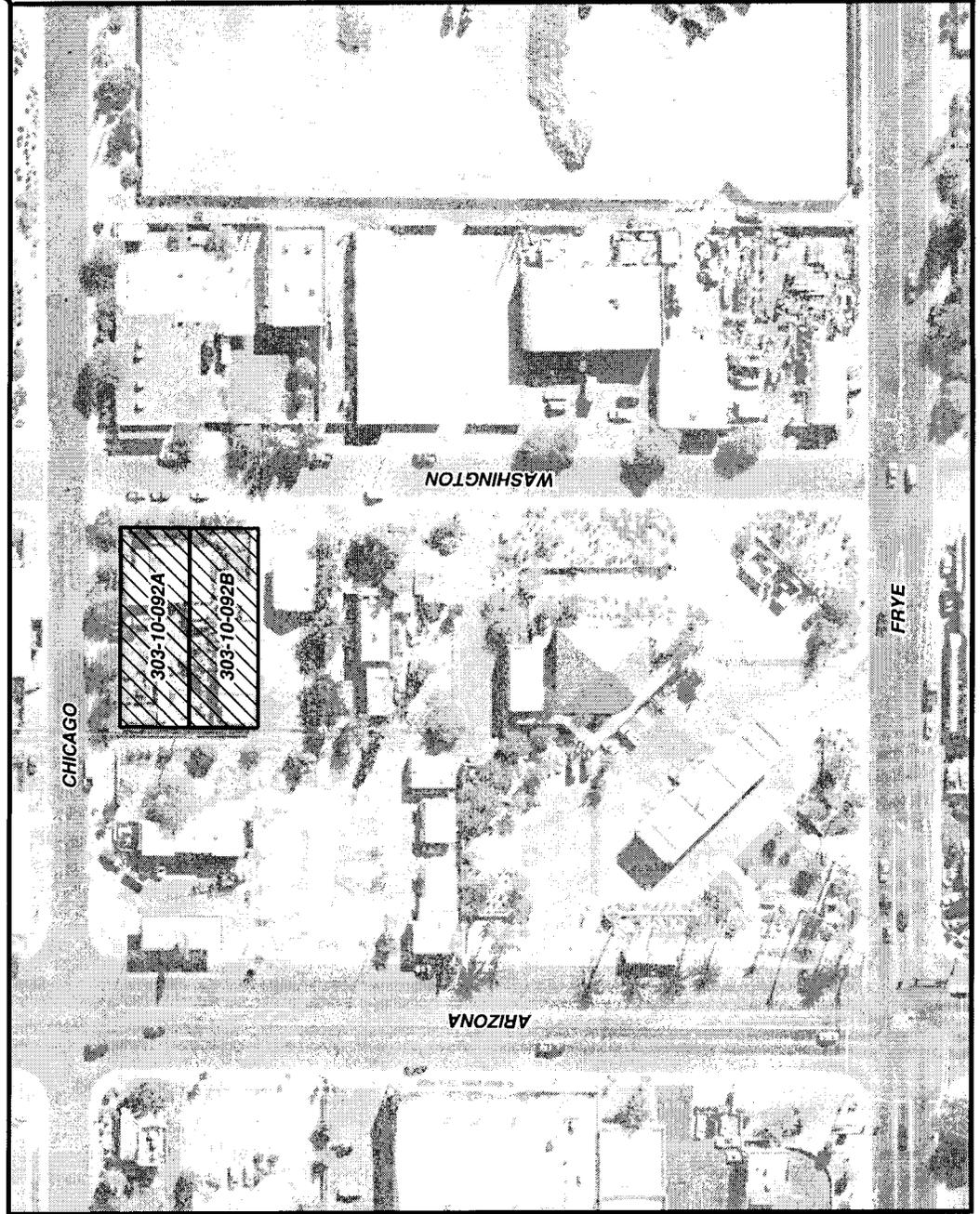
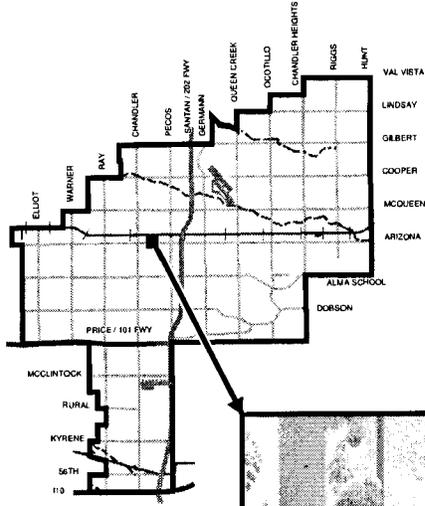
**FINANCIAL IMPLICATIONS:** Funds have been budgeted for the City Hall acquisition.

**PROPOSED MOTION:** Move to adopt Resolution No. 4129 to determine that acquisition of real property located at 210 South Washington Street for the construction and development of a new City Hall complex and related off-street parking is a matter of public necessity; to authorize condemnation proceedings to acquire said real property and to obtain immediate possession thereof; and to authorize such relocation assistance as may be required by law.

Attachments: Vicinity Map  
Resolution 4129



# PARCELS 303-10-092A & 303-10-092B



**RESOLUTION NO. 4129**



RESOLUTION NO. 4129

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA, DETERMINING THAT ACQUISITION OF CERTAIN REAL PROPERTY LOCATED AT 210 SOUTH WASHINGTON STREET IN THE CITY OF CHANDLER, ARIZONA, FOR THE CONSTRUCTION AND DEVELOPMENT OF A NEW CITY HALL COMPLEX AND RELATED OFF-STREET PARKING IS A MATTER OF PUBLIC NECESSITY; AUTHORIZING CONDEMNATION PROCEEDINGS AS NEEDED TO ACQUIRE SAID REAL PROPERTY AND TO OBTAIN IMMEDIATE POSSESSION THEREOF; AND AUTHORIZING RELOCATION ASSISTANCE AS MAY BE REQUIRED BY LAW.

WHEREAS, at its regular meeting on May 25, 2006, following a public hearing held on April 27, 2006, and following the submittal by RNL Design of its Final Report of the Chandler City Hall Study, dated May, 2006, the Chandler City Council approved the site location for a new City Hall complex and related off-street parking facility in an area generally situated on both the north and south sides of E. Chicago Street between S. Arizona Avenue on the west and S. Washington Street on the east in Chandler, Arizona; and

WHEREAS, pursuant to Resolution No. 3996, passed and adopted on July 27, 2006, the Chandler City Council authorized the acquisition and assemblage of approximately 23 parcels of real property within the site location for the City Hall complex and related parking facility; and

WHEREAS, thereafter, the City and the owner of that certain real property situated at 210 S. Washington Street, which is located at and near the southwest corner of E. Chicago Street and S. Washington Street and which is legally described in Exhibit "A", attached hereto and incorporated herein by this reference (the "Subject Property"), executed and deposited into escrow an agreement for the City to purchase the Subject Property for the sum of \$325,000.00, and

WHEREAS, during the ten-day review provided to the City to inspect the Subject Property for environmental hazards/contaminants, the City identified two underground storage tanks, one of which contained a small amount of diesel fuel, on the Subject Property, and the City then requested an extension of the review period and escrow closing to allow the tanks to be removed and the soil examined, and the landowner denied the request, so that the escrow was cancelled; and

WHEREAS, the City is authorized by law to acquire real property, whether by purchase, dedication or condemnation proceedings (eminent domain), as needed for the public purposes of developing and construction public buildings and grounds, including a City Hall complex, and for off-street parking facilities; and

WHEREAS, the acquisition of the Subject Property at this time is necessary for the development and construction of the City Hall complex and related off-street parking facility to occur on schedule; is in the best interest of the citizens of the City of Chandler; and is a matter of public necessity; and

WHEREAS, immediate possession of the Subject Property is necessary in order to assemble and clear all of the property needed for construction of the City Hall complex and related off-street parking facility prior to the start of construction, which is scheduled to commence on or about June 1, 2008; and

WHEREAS, the acquisition of the Subject Property will likely result in the relocation of persons, businesses or personal property;

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 Subject Property is needed for use as public buildings and grounds, i.e., a new City Hall complex, and for related off-street parking; and that the acquisition of the Subject Property, and the securing of immediate possession of the Subject Property, is a matter of public necessity, is for one or more public and necessary purposes, is in the best interest of the citizens of the City of Chandler; and that the Subject Property is located so that the acquisition for public use will be most compatible with the greatest public good and the least private injury.

Section 2. The Chandler City Attorney is authorized and directed to commence condemnation (eminent domain) proceedings to acquire, in the name of the City of Chandler, the Subject Property, including any improvements thereon, and to secure immediate possession thereof, and is further directed to do and to perform all acts necessary in furtherance of the acquisition of title to and immediate possession of the Subject Property.

Section 3. The City is authorized to provide such relocation assistance, including benefits, as may be required by law. The City's Real Estate Manager shall make the initial determination of any claim received for relocation benefits; any administrative appeal from such decision shall be considered and acted upon by the Chandler City Manager or the Manager's designee for such purpose, whose decision shall be final in accordance with applicable law.

PASSED AND ADOPTED by the City Council of the City of Chandler, Maricopa County, Arizona, this \_\_\_ day of \_\_\_\_\_, 2007.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4129 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_, 2007, and that a quorum was present thereat.

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY *AKG*

EXHIBIT "A"  
Legal Description

PARCEL ONE (APN 303-10-092A)

THE NORTH HALF OF THAT PART OF BLOCK H, OF CHANDLER, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED AS BOOK 5 OF MAPS, PAGE 34, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST SIDE OF SOUTH WASHINGTON STREET, 450 FEET NORTH OF THE INTERSECTION OF THE PROPERTY LINE ON THE NORTH SIDE OF DENVER STREET (FRYE ROAD);

THENCE WEST 150 FEET;

THENCE NORTH TO THE INTERSECTION OF THE PROPERTY LINE ON THE SOUTH SIDE OF CHICAGO STREET;

THENCE EAST 150 FEET;

THENCE SOUTH TO THE POINT OF BEGINNING.

PARCEL TWO (APN 303-10-092B)

THE SOUTH HALF OF THAT PART OF BLOCK H, OF CHANDLER, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED AS BOOK 5 OF MAPS, PAGE 34, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST SIDE OF SOUTH WASHINGTON STREET, 450 FEET NORTH OF THE INTERSECTION OF THE PROPERTY LINE ON THE NORTH SIDE OF DENVER STREET (FRYE ROAD);

THENCE WEST 150 FEET;

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