

MAY 28 2009



Chandler • Arizona
Where Values Make The Difference

MEMORANDUM

Real Estate – Council Memo No. RE 09-261

DATE: MAY 28, 2009

TO: MAYOR AND COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER
R. J. ZEDER, PUBLIC WORKS DIRECTOR
DANIEL W. COOK, DEPUTY PUBLIC WORKS DIRECTOR
SHEINA HUGHES, ASSISTANT PUBLIC WORKS
DIRECTOR/CITY ENGINEER

FROM: ERICH KUNTZE, REAL ESTATE MANAGER

SUBJECT: APPROVE THE PURCHASE OF THE PROPERTY LOCATED AT 1029 N. ALMA SCHOOL ROAD REQUIRED FOR THE ALMA SCHOOL ROAD AND RAY ROAD INTERSECTION IMPROVEMENT PROJECT FROM ACTION ALLIANCE, LLC., FOR \$725,000 PLUS CLOSING COSTS OF APPROXIMATELY \$3,300.

RECOMMENDATION: Staff recommends that Council approve of the purchase the property located at 1029 N. Alma School Road required for the Alma School Road and Ray Road Intersection Improvement Project from Action Alliance, LLC., for \$725,000 plus closing costs of approximately \$3,300.

BACKGROUND/DISCUSSION: Action Alliance, LLC, an Arizona limited liability company, has agreed to sell its property located at 1029 N. Alma School Road to the City for \$725,000 plus closing costs of approximately \$3,300. This administrative settlement was reached in lieu of condemnation through continued negotiations between staff and the property owner. These negotiations took into consideration market conditions for retail properties in the area, the length of time since the original appraisal completed on March 4, 2008 was completed; plus, the cost and time needed to prosecute a condemnation action. Staff believes that this administrative settlement in lieu of condemnation is reasonable, prudent, and in the public interest. The City Attorney’s Office has reviewed this matter and supports this administrative settlement.

Construction on this project will begin in late Spring or early Summer of 2010.

RE09-261
May 28, 2009
Page 2

FINANCIAL IMPLICATIONS:

Funds required for the acquisition of this property are budgeted in the Project.

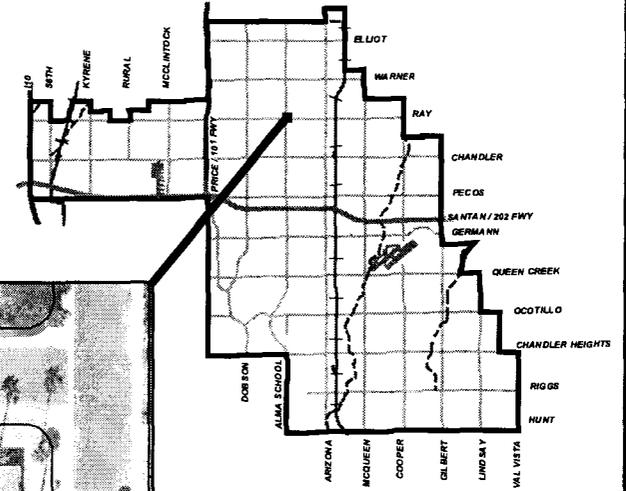
<u>Account Number</u>	<u>Fund</u>	<u>Program Name</u>	<u>CIP Fund</u>	<u>Amount</u>
411.3310.0000.6517.9ST315	GO Bonds	Alma School Road/ Ray Road Intersection	FY08/09	\$728,300

PROPOSED MOTION: Move to approve the purchase of the property located at 1029 N. Alma School Road required for the Alma School Road and Ray Road Intersection Improvement Project from Action Alliance, LLC., for \$725,000 plus closing costs of approximately \$3,300.

Attachments: Location/Site Map



AUTHORIZE ACQUISITION OF 1029 N ALMA SCHOOL RD



MEMO NO. RE09-261

 APN 302-43-001E

