



Legislation Details (With Text)

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Title: Resolution Authorizing Purchase of Property Located at 2305 Soabar Street for Water Resources Operational Construction Yard Expansion

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Attachments: 1. Sitemap 1373 (2305 Soabar St).pdf, 2. Vicinity 1373 (2305 Soabar St).pdf, 3. Sec. of State Soabar Street LLC.pdf, 4. 17-0150 Resolution.pdf

Date	Ver.	Action By	Action	Result
3/21/2017	1	City Council	adopt	Pass

Resolution Authorizing Purchase of Property Located at 2305 Soabar Street for Water Resources Operational Construction Yard Expansion

Department: Engineering & Inspections
Council District: 1

Public Hearing: N/A
Advertising Date/By: N/A

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PURPOSE:

The Property Management Section of the Engineering & Inspections Department is in the process of purchasing the entire property located at 2305 Soabar Street, parcel #0029104, for the expansion of the Water Resources Operational construction yard. City Council approval is requested for the purchase of this property.

BACKGROUND:

The Water Resources Department has requested the purchase of land located at 2305 Soabar Street to accommodate current and future expansion needs of the department’s construction operations. The property is located adjacent to the existing construction operation. Currently, several sections of the facility are beyond capacity including rolling stock, construction equipment and construction materials. These issues would be fully resolved with the purchase of the property located at 2305 Soabar Street.

The subject property is owned by Soabar Street, LLC. The property was appraised by Jeffrey A. McKee of Colvin, Sutton, Winters and Associates with a value of \$2,875,000. The property, after further inspection, was found to be in need of urgent and expensive roof restoration. Five (5) of the roofs needed to be replaced while

the remaining two (2) roofs needed repairs. The City contacted the roofing company that was used when the facility was in operation and obtained an estimate for the needed work. The owners agreed to share in the cost of the roof restoration. The owner has agreed to sell the property for the negotiated amount of \$2,500,000.

The property is zoned LI (Light Industrial). The size of the property is 516,360 Sq. Ft. (11.854 acres).

BUDGET IMPACT:

Funding in the amount of \$2,500,000 for this purchase is budgeted in the Water & Sewer Capital Improvement Fund, Account #503-7026-01.6011, Activity #A17031. A budget adjustment is necessary to use this account.

RECOMMENDATION / ACTION REQUESTED:

The Property Management Section of the Engineering & Inspections Department recommends that City Council approve and authorize the purchase of the entire property located at 2305 Soabar Street for the negotiated price of \$2,500,000, and the associated budget adjustment.