



**TO:** T.C. Broadnax, City Manager  
**FROM:** Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer /*100K*  
Justin E. Davis, Division Manager, Facilities Management  
Jennifer S. Hines, Assistant Division Manager, Real Property Services  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution – Surplus Disposition of Parcel No. # 2087270030 and # 2087270022 –  
January 12, 2016  
**DATE:** December 14, 2015

**SUMMARY:**

Authorizing the Declaration of Surplus and execution of a Quit Claim Deed to convey two parcels located at 3524 McKinley Avenue and 715 East Morton Street to Pierce Real Properties, LLC, in the amount of \$ 281,700.00.

**STRATEGIC POLICY PRIORITY:**

- Assure outstanding stewardship of the natural and built environment.

Approval of this disposition will place the parcels back into private ownership, and will allow for the development of the properties into multi-family housing.

**BACKGROUND:**

The former grocery store facility was acquired by the City in 1994 and remodeled as a police substation in 1995. The former sector four police substation is comprised of a 6,500 square-foot facility located on a 26,000 square-foot site.

In 2010, the Police Department relocated its sector four police operations from this facility into a newly constructed police substation located at 400 East 56<sup>th</sup> Street (Stewart Heights Facility).

In 2012, Animal Control relocated its operations from this facility to Fleet Headquarters. The property was declared surplus to the City’s needs in January 30, 2013.

The property is classified as a ‘Tier 2’ Property pursuant to the City’s Policy for the Sale/Disposition of City-owned General Government Real Property and is being sold via a competitive request for proposals process (RFP).

The proposed purchaser plans to rehabilitate the current structure into a multi-family housing complex. A percentage of the units will be offered to local artists at a reduced rent.

**ISSUE:**

The City must dispose of City-owned surplus property pursuant to the City’s Policy for the Sale/Disposition of City-owned General Government Real Property. If this sale is not approved, the parcels will continue to be owned by the City and will not be placed back onto the tax rolls and rehabilitated.

**ALTERNATIVES:**

The City could continue to hold title to these parcels. However, this contradicts the goals outlined in the City Policy for Sale/Disposition of City-owned General Government Real Property.



**RECOMMENDATION:**

The Public Works Department recommends Council approve the Declaration of Surplus and execution of a Quit Claim Deed to convey the subject parcels to Pierce Real Properties, LLC, via negotiated disposition.

**FISCAL IMPACT:**

The funds from this surplus property sale will be deposited into Fund 1100 - PW Property Management, cost center 296000 - PWF Surplus Property Sales.

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
<b>TOTAL</b>			

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Surplus Sale of Property – Pierce Real Properties, LLC	296000	6410030	\$ 281,700.00
<b>TOTAL</b>			<b>\$ 281,700.00</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$281,700.00**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**