

Legislation Text

File #: 4215, **Version:** 1

CC MEETING: March 5, 2019

DATE: February 27, 2019

TO: Erin Rinehart, City Manager

FROM: Krystle Nelinson, Development Program Manager

Consider A **Resolution Authorizing The City Manager To Negotiate and Execute An Improved Property Commercial Contract For The Purchase Of 0.44 Acres Of Land Located At 1439 Elm Street And 1440 South Broadway** In An Amount Not To Exceed \$418,000.00.

BACKGROUND:

This real estate transaction will acquire 0.44 acres (~19,000 square feet) of land located in Downtown Carrollton on the north side of Roberts Drive and the west side of Broadway.

In accordance with the City's land acquisition plan, these parcels are within a half mile of the Downtown Carrollton DART station. They are also adjacent to other City-owned parcels along Roberts Drive and the west side of Broadway. While there are no immediate development plans, this acquisition is strategic to manage future development or re-development of the block.

FINANCIAL IMPLICATIONS:

The purchase price for the parcel is \$380,000.00 (\$20/sq. ft.). The amount specified in the resolution includes 10% to cover closing costs and other related expenses (survey, environmental assessment, etc.). Funding for the purchase is available in the TOD Capital Account.

As a term of the sale, the City will assume the lease agreement with the existing tenant. The lease agreement expires on April 1, 2020. The City will receive \$1,600 in monthly rental revenue after the closing date.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends City Council approval of the attached resolution authorizing the City Manager to negotiate and execute an Improved Property Commercial Contract for the purchase of 0.44 acres of land at 1439 Elm Street and 1440 South Broadway in an amount not to exceed \$418,000.00.