

Legislation Text

File #: 2097, Version: 1

CC MEETING: July 7, 2015

DATE: July 1, 2015

TO: Leonard Martin, City Manager

FROM: Peter J. Braster, Senior Development Manager

Consider Authorizing The City Manager To **Enter Into A Contract To Purchase 1.58 Acres Of Land At 1410 Fannidella Drive, Being The Fannidella Apartments, Block A, Lot 1, City Of Carrollton, Dallas County, Texas** For An Amended Price of \$1,980,000.00.

BACKGROUND:

City Council approved the purchase of the property on November 18, 2014. The approved resolution authorized the City Manager to enter into a contract to purchase the property for \$1,880,000. In the intervening seven months, the contract execution was stymied by the owner's reluctance to agree to the City's contract terms (i.e. managing the lease-down of the property, the timeline for closing, and the price). Staff, with the aid of the City's commercial real estate broker, worked through all of the contract terms with the owner to a mutual satisfaction. The last remaining item is the owner's request for an additional \$100,000. The revised purchase price is within current market pricing for similar apartment projects in Carrollton. The owner has signed and executed the contract based on the revised price.

On July 1, 2015 the City Council TOD Sub-Committee reviewed this item and recommends that Council approve the purchase at the amended price.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends that City Council authorize the City Manager to enter into a contract to purchase 1.58 acres of land at 1410 Fannidella Drive, being the Fannidella Apartments, Block A, Lot 1, City of Carrollton, Dallas County, Texas for an amended price of \$1,980,000.00.