



CITY COUNCIL AGENDA ITEMS

To: Mayor and City Council
From: Dean Rich, Director of Finance
Walter Denton, City Administrator
Date: March 17, 2005
Subject: Sales contract and license agreement on 88 acres of park land

List of committees that have reviewed: Discussed in Executive Session and negotiation approved

Background: The City has the opportunity to purchase the last 88 acres to complete the new Family Sports Park. Porter LLC will purchase the entire 174 acre tract of ground and has agreed in the license agreement to sell the city 56 acres this year and the remaining 32 acres for three equal fixed amounts over the next three years. The purchase price includes a price per acre reduction in the form of a park extraction credit for the remaining acreage that Porter LLC will develop as SR-2 single family housing. The agreement gives the City full access to the 88 acres upon closing on the first 56 acres so the City can begin development of the full 204.7 acre parcel. This 88 acres will be added to 17 acres the City purchase in July, 2004 and to the 99.7 acres the City purchased in November 04, and the entire parcel includes all the property surrounded by Venita, Porter, Obernuefemann and the CSX Railroad.

Legal Considerations, if any: Sales contract and lease agreement have been reviewed by the city attorney.

Budget Impact: The first 172.7 acres will be purchased with available funds from the sale of excess land and the OSLAD grant. The remaining 35 acres will be purchased with three equal payments due in 2006, 2007 & 2008 from park funds.

Staff recommendation: Staff recommends Council approval.