



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: March 2, 2020

Re: Contract for the Sale of Real Estate with BAMDA Properties LLC for the purchase of 1206 Bowling Street.

## Executive Summary

Staff has prepared for Council consideration an ordinance authorizing the City Manager to execute a Contract for the Sale of Real Estate with BAMDA Properties LLC for the purchase of 1206 Bowling Street. The purchase price for the property is \$450,000.00 and will be charged to Capital Improvement project W0263-Construct Warehouse & Enclosed Parking for which funding has already been appropriated.

## Discussion

In July of 2019 the City received notice from the owner of 1206 Bowling Street that the property would be coming available for lease in September of 2019 if the City was interested. Staff responded that leasing the property was not of interest but that a purchase of the property may be. Purchasing properties along Bowling Street was one of the recommendations of a previous Water & Light Complex Site Analysis & Usage Plan performed by Yaeger Architecture in 2013 (attached).

In August Moore & Shryock appraised the property and produced an appraisal report (attached) of the light industrial property located at 1206 Bowling Street. Their appraisal indicated that the market value of the property was \$450,000. Staff shared the report with the property owner who indicated that a sale would be possible for the appraised market value.

Staff also had an Environmental Site Assessment performed by Midwest Environmental Consultants (attached). The assessment did not reveal evidence of recognized environmental conditions in connection with the property with the exception of a floor drain in the southern portion of the building that contained an unknown liquid with a slight petroleum sheen. Other properties in the area which may environmentally affect this property include several that the City currently owns including the current Electric and Water Distribution Complex south of the Business Loop as well as the Municipal Power Plant. Staff believes the environmental risk to be small incorporating this property into the existing campus.

The Water Utility plans to utilize the building for equipment storage. This will help alleviate parking problems on the Electric and Water Distribution Complex south of the Business Loop. The purchase price for the property is \$450,000.00 and will be charged to Capital Improvement project W0263-Construct Warehouse & Enclosed Parking for which funding has already been appropriated.



## Fiscal Impact

Short-Term Impact: The purchase price for the property is \$450,000.00 and will be charged to Capital Improvement project W0263-Construct Warehouse & Enclosed Parking for which funding has already been appropriated.

Long-Term Impact: None

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Land Use & Growth Management, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

## Legislative History

| Date | Action |
|------|--------|
| None | None   |

## Suggested Council Action

Staff recommends Council adopt an ordinance authorizing the City Manager to execute a Contract for the Sale of Real Estate with BAMDA Properties LLC for the purchase of 1206 Bowling Street.