

## Legislation Details (With Text)

**File #:** BILL NO. 19-86  
**Name:**  
**Type:** Ordinance  
**Status:** Passed  
**File created:** 3/23/2019  
**In control:** City Council - Regular Session  
**On agenda:** 4/2/2019  
**Final action:** 4/9/2019  
**Title:** An Ordinance approving the Real Estate Sales Contract for the sale of City property to Dahmer Brothers Investment, LLC.  
 (NOTE: First reading by City Council on April 2, 2019. Passed by unanimous vote.)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Ordinance, 2. Real Estate Sales Contract, 3. Exhibit A

Date	Ver.	Action By	Action	Result
4/9/2019	2	City Council - Work Session	adopted and numbered	Pass
4/2/2019	2	City Council - Regular Session	advanced to second reading	Pass

An Ordinance approving the Real Estate Sales Contract for the sale of City property to Dahmer Brothers Investment, LLC.  
 (NOTE: First reading by City Council on April 2, 2019. Passed by unanimous vote.)

Issue/Request:

An Ordinance approving the Real Estate Sales Contract for the sale of City property to Dahmer Brothers Investment, LLC.

Key Issues:

The City owns remnant property near the intersection of Lee's Summit Road and NE Douglas Street which was acquired as a result of the realignment and reconstruction of Lee's Summit Road. The adjoining property owner, Dahmer Brothers Investments, LLC is interested in acquiring the City owned property to gain additional property for potential development. City staff negotiated the proposed Real Estate Sales Contract (Contract) for the sale of the property which includes approximately 82,707 square feet as represented in Exhibit A. The property to be sold through this Real Estate Sales Contract consists of areas represented in Exhibit A as PDE2, TCE, Tract 7, and section of the former Douglas Street right-of-way that would be vacated by the City to create a contiguous tract while reserving necessary easements within said right-of-way prior to said vacation. As stated in the Contract, within 30 days after closing, the City would initiate the vacation of right-of-way for the old Douglas Street area, but preserve any easements that may be necessary in this area. The Contract allows the buyer 30 days after the effective date of the Contract to perform due diligence for the purpose of exploring the buyer's intended purpose or use of the property. If the buyer determines the property is not suitable for the intended purpose, the buyer may deliver written notification to the City to cancel the Contract.

Proposed City Council Motion:

I move for adoption of an Ordinance approving the Real Estate Sales Contract for the sale of City property to

Dahmer Brothers Investment, LLC.

Background:

On April 26, 2018 City staff received interest from Dahmer Brothers Investment, LLC to purchase City owned property located at the intersection of Lee's Summit Road and Douglas Street. City staff is of the opinion the property does not provide for future use for City purposes and therefore is approving of the sale of the described property.

The City owned parcel of interest is currently zoned Agricultural. The Comprehensive Plan identifies the City owned parcel as future potential Business Park use. The current zoning of the adjacent parcels owned by Dahmer Brothers Investment, LLC is CP-2 (Planned Community Commercial) however the Comprehensive Plan identifies the adjacent parcels as future Planned Industrial (PI) use.

The City acquired the property through negotiations with Unity School of Christianity as part of the Lee's Summit Road improvements. At the time of acquisition the property was valued at \$.68 psf prior to Lee's Summit Road improvements. The value of the property after Lee's Summit Road improvements was estimated to drop to \$.20 psf. The appraisal report conducted to determine the value of the property prior to Lee's Summit Road improvements identifies the parcel of interest as "too small to develop and the remainder land becomes an uneconomic remnant" and "the tract remaining is not large enough to develop without sewer, and becomes an uneconomic remnant."

Approximately 12,456 s.f. of the property of interest is encumbered with a permanent drainage easement (PDE2) which will be required to be maintained for stormwater drainage purposes.

Mark Dunning, Assistant City Manager

Recommendation:

Staff recommends approval of the Real Estate Sales Contract