

Legislation Text

File #: BILL NO. 18-162, **Version:** 1

An Ordinance approving a Real Estate Purchase and Sale Agreement by and between the City of Lee's Summit, Missouri and PremierLife Real Estate Holdings, Inc. for the purchase and sale of real property located generally on the west side of NW Pryor Road, between NW O'Brien Road and SW 1st Street, and authorizing the Mayor to execute any and all documents necessary and relevant to effectuate said transaction by and on behalf of the City.

(Note: This item was first read by Council on September 20, 2018 and passed by unanimous vote.)

Issue/Request:

This request is for the approval of the real estate contract between the City and Premierlife Real Estate Holdings for the acquisition of land to be used for the reconstruction of fire station 3.

Key Issues:

This request is in conjunction with the Memorandum of Understanding that specifies actions to be taken by the City in consideration for the conveyance of a parcel of land to be used to rebuild fire station 3.

The City and PremierLife Real Estate Holdings, LLC (a/k/a John Knox Village) have been negotiating the terms and conditions associated with the real estate transaction which provides the City adequate land to construct a new Fire Station #3 since Fall 2016. The documents attached contain the terms and conditions associated with the transaction, which includes the transfer of property from Premier Life to the City in exchange for \$1 as well as certain additional considerations to be provided by the City as more fully outlined in the Memorandum of Understanding and Amendment to Memorandum of Understanding between the parties, being presented contemporaneously with this proposed Real Estate Purchase and Sale Agreement.

Also incorporated in the Real Estate Purchase and Sale Agreement is a Right to Repurchase which provides PremierLife the opportunity to repurchase the property at issue in the event that the required considerations are not completed by the City within eighty four (84) months of the issuance of the public safety bonds which were approved by the voters of the City of Lee's Summit in November, 2016.

In order to construct the infrastructure contemplated in the Memorandum of Understanding and First Amendment to Memorandum of Understanding, it is necessary for PremierLife to provide City with certain Rights of Way, which must be accepted by the City. In addition, the construction of Fire Station #3 will initially require an easement across property still owned by PremierLife in order to establish adequate utility needs. This will ultimately be addressed with infrastructure improvements, but will require interim access. The Ordinance presented for this Real Estate Purchase and Sale Agreement also provides the authority for the Mayor to execute these and other necessary agreements to effectuate the transaction and beginning the necessary improvements to infrastructure and beginning construction of Fire Station #3 on the subject property.

Proposed City Council Motion:

I move for adoption of an Ordinance approving a Real Estate Purchase and Sale Agreement by and between the City of Lee's Summit, Missouri and PremierLife Real Estate Holdings, Inc. for the purchase and sale of real property located generally on the west side of NW Pryor Road, between NW O'Brien Road and SW 1st Street, and authorizing the Mayor to execute any and all documents necessary and relevant to effectuate said transaction by and on behalf of the City.

Background:

The real estate contract is tied to the Memorandum of Understanding which details the terms of responsibilities for the City of Lee's Summit and Premierlife Real Estate Holdings, respectively. If approved, this real estate contract and conditions imposed will then convey a parcel of land to the City for the reconstruction of fire station 3.

Other Information/Unique Characteristics:

If the real estate contract is approved by Council, Premierlife Real Estate Holdings will sign the necessary documents to the City to file with the County to legally define the lot and also grant ownership to the City. As part of the fire station construction process, the agreed-to infrastructure improvements will then be made, along with the construction of fire station 3.

Assistant Chief Brian Austerman