



City of Grand Island

Tuesday, May 25, 2004

Council Session

Item E7

**Public Hearing on Acquisition of Real Estate Described as Block
77, Original Town, East of Sycamore Street and North of First
Street**

Staff Contact: Doug Walker

Council Agenda Memo

From: Douglas R. Walker, City Attorney

Meeting: May 25, 2004

Subject: Public Hearing on the Acquisition of Block 77,
Original Town of Grand Island

Item #'s: E-7 and G-10

Presenter(s): Douglas R. Walker, City Attorney

Background

The City has contacted Rudolph Plate, the owner of the South Half of Block 77 in the Original Town of Grand Island, which is located north of First Street and east of Sycamore Street and across the street east of City Hall to ascertain if he is interested in selling this real estate. In 2000, the city commissioned an appraisal and considered purchasing this property for municipal purposes.

When negotiations took place in 2000 the owner indicated that he would be willing to sell his property in three tracts. Tract I would be lots six and seven and the seller was willing to convey this property for \$50,000. This tract was appraised at \$40,000. A price of \$140,000 was negotiated for Tract II which is Lot 5 and was appraised at \$140,000. Mr. Plate was willing to sell Tract III, for \$180,000 and this property was previously appraised at \$185,000. The total price negotiated in 2000 for these properties was \$370,000 and the appraised value was \$365,000. If the Council decides to proceed with the acquisition of this property the appraisals will need to be revised to reflect current valuation for the property which will probably increase in value during the last four years.

The City has not previously contacted the owners of the North Half of the block. Acquisition of this real estate in addition to the South Half would enhance the development of the entire block and give the City more flexibility in utilizing the real estate. If the Council decides to proceed with the acquisition of this real estate, an appraisal will be necessary. Subsequent Council approval of real estate purchase agreements with the property owners will be also be necessary if the property is acquired through negotiations.

Before the City can acquire the property a public hearing is necessary for the purpose of seeking Council approval for proceeding with the acquisition of the real estate. Item G-11 on the Agenda is a resolution authorizing the City to proceed with acquisition of this property through a negotiated purchase or through condemnation if necessary.

Discussion

The City is interested in purchasing this real estate for the following reasons:

1. The purchase of this property and the demolition and removal of these structures will clear a blighted area next to City Hall.
2. Allows for further expansion of the government center which solidifies Grand Island's downtown.
3. Provides land for expansion of parking around City Hall or for the construction of new facilities.

For the above mentioned reasons, City Administration is seeking City Council approval of the resolution for the acquisition of the South Half of the block east of City Hall.

Alternatives

After the public hearing, it appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the resolution authorizing the City to acquire this real estate.
2. Disapprove or /Deny the resolution authorizing the acquisition of the real estate.
3. Modify the resolution to meet the wishes of the Council
4. Table the issue

Recommendation

City Administration recommends that the Council approve the resolution authorizing the City to acquire the above referenced real estate.

Sample Motion

Approve the resolution authorizing the acquisition of Block 77, Original Town of Grand Island, Hall County, Nebraska.