



# City of Grand Island

Tuesday, April 12, 2005

Council Session

## Item E7

**Public Hearing on Purchase of Thornton Property Located at 1 Navajo Drive (Chester Thornton and Juliann Thornton)**

Staff Contact: Steven P. Riehle, Public Works Director

# Council Agenda Memo

**From:** Steven P. Riehle, Public Works Director  
Doug Walker, City Attorney

**Meeting:** April 12, 2005

**Subject:** Public Hearing on Purchase of Thornton Property  
Located at 1 Navajo Drive (Chester and Juliann  
Thornton)

**Item #'s:** E-7 & G-13

**Presenter(s):** Steven P. Riehle, Public Works Director

## Background

A public hearing must be held and Council action must be taken by resolution for the City of Grand Island to acquire property.

## Discussion

Chester and Juliann Thornton own the property at 1 Navajo Drive and have agreed to sell their property as part of the Sanitary Sewer District that will be constructed in their area. In addition, a portion of the property will be needed for future construction and development of through streets connecting to northwest Grand Island. This property is being acquired for \$75,000.00.

## Alternatives

It appears that the Council has the following alternatives concerning the issue at hand.

1. Make a motion to approve the acquisition of the Chester and Juliann Thornton Property.
2. Refer the issue to a Committee.
3. Postpone the issue to a future date.
4. Take no action on the issue.

## **Recommendation**

City Administration recommends that the Council approve the purchase of the Thornton Property for \$75,000.00 and pass a resolution authorizing the Mayor to sign a purchase agreement with the Thornton's.

## **Sample Motion**

Move to approve the acquisition of the Thornton Property.

## AGREEMENT FOR WARRANTY DEED

THIS AGREEMENT made and entered into this \_\_\_\_ day of April, 2005, by and between the CITY OF GRAND ISLAND, NEBRASKA, a Municipal Corporation, hereinafter referred to as "City", and CHESTER D. THORNTON and E. JULIANN THORNTON, husband and wife, hereinafter referred to as "Sellers".

1. STATEMENT OF PURPOSE AND REAL ESTATE TO BE CONVEYED. This Agreement for Warranty Deed is made for the purpose of setting forth the terms and conditions under which the Sellers will sell and convey to the City the property located at 1 Navajo Drive, legally described as follows:

Lot 24, Block 1, Dale Roush Second Subdivision in the City of Grand Island, Hall County, Nebraska.

2. CONSIDERATION TO BE PAID. In consideration of the payment from the City of Seventy Five Thousand Dollars (\$75,000.00), the Sellers agree to sell and convey to the City the Property by warranty deed, free and clear of all liens and encumbrances except covenants, easements and restrictions of record. Of this amount, the City will pay Five Hundred Dollars (\$500.00) as a down payment which will be due upon execution of this agreement by all parties. The balance of Seventy Four Thousand, Five Hundred Dollars shall be payable at closing.

3. CLOSING. Closing on the sale and purchase of the subject property shall occur at the earliest convenience of the parties following satisfaction of the Conditions Precedent, and shall take place on or before the 22<sup>nd</sup> day of April, 2005, in the offices of City Hall, 100 E. 1<sup>st</sup> Street, Grand Island, NE.

4. TITLE INSURANCE. The City shall at its cost obtain a current commitment ("Commitment") for an owner's policy of title insurance respecting the Property, in favor of the City, as buyer. The City shall have a period of twenty (20) days thereafter ("Examination Period") to

examine the Commitment to ascertain whether or not there is any defect or condition which renders any of the conditions precedent specified herein unsatisfied. In such event the City shall, within the Examination Period, provide written notice ("Defect Notice") to the Sellers specifying the relevant defect or condition and the Sellers shall have a reasonable period of time (not to exceed ninety days) within which to cure such defect or condition and provide written notice of such cure ("Cure Notice") to the City or, at the Sellers' option, to provide the City written notice of the Sellers' election to cancel this Agreement. If the City provides the Sellers with a Defect Notice in the manner and within the time specified herein and the Sellers fail to cure such defect or condition and provide the City a Cure Notice, the City may terminate this Agreement by written notice to the Sellers.

5. POSSESSION. It is agreed by the parties that Seller's may occupy the premises while relocating to their future residence. Such relocation shall be completed not later than May 31<sup>st</sup>, 2005, at which time the Seller's shall have vacated the premises and removed all of their personal property. The City will be entitled to full possession of the property on May 31<sup>st</sup>, 2005.

6. SELLER'S RIGHTS TO MISCELLANEOUS ITEMS AND FIXTURES. The Seller's understand and agree that prior to vacating the premises, that the property is not to be damaged, and that no items or fixtures shall be removed, other than items specifically outlined in this Agreement. Items/fixtures not to be removed, include, but are not limited to light fixtures, bathroom/kitchen fixtures, counters, cabinets, built in appliances, interior or exterior doors and windows. The Seller's shall have the right to remove the following items and fixtures prior to vacating the premises on or before May 31<sup>st</sup>, 2005:

- a. All loose and installed red bricks, patio bricks, stepping stones and round blocks.
- b. Cloth lines and poles.
- c. Unattached deck on east side of the house.

d. New brown front and kitchen screen doors. Doors will be replaced with screen doors recently removed.

e. Yard fence and flowers.

7. ENTRY PRIOR TO POSSESSION. Prior to the delivery of possession of the Property, the City, its representatives or agents shall have the right to enter upon the Property for the purpose of conducting a survey of the property, for construction staking and for construction activities. In addition, the City, its representatives or agents shall have the right to enter upon the Property for the purpose of conducting a Phase I Environmental Site Assessment.

8. CONDITIONS PRECEDENT. The City's obligation to purchase the Property and to pay the purchase price for the Property are subject to the following conditions precedent having been fully satisfied or waived, in writing, by the City:

a. The Sellers shall have, and be able to convey to the City at the Closing, marketable fee simple title to the Property, free and clear of all liens, claims and encumbrances.

b. There shall be no pending legal proceedings or actions of any kind whatsoever, or judgments or claims of any nature whatsoever, pending against the Sellers with respect to the Property.

c. A current survey of the Property shall disclose that there are no rights-of-way, easements on or applicable to the Property which in the City's reasonable business judgment would interfere with the development and use of the Property by the City as an expansion of City Utility and Street right-of-way functions.

d. There shall be no uncured violations of any federal, state, local laws, ordinances or regulations with respect to the Property.

e. The Property shall be free and clear of all leases, licenses, tenancies, and other occupancies and all adverse claims however they may be derived or claimed.

f. The Property shall be in substantially the same physical condition as it is in on the date of this Agreement.

g. There shall be no unpaid bills, charges, costs or expenses of any kind which create or permit the filing of a statutory lien of any kind against the Property.

h. The results of the Phase I Environmental Site Assessment made by the City, its representatives or agents, pursuant to this Agreement shall not disclose the presence of, release from or storage on the Property of pollutants, contaminants or hazardous substances, or that soil, drainage, or subsurface conditions of the property are not suitable for the use of the Property as an expansion of City Utility and Street right-of-way functions.

9. DUE DILIGENCE. The City shall have a period of sixty (60) days from the date of this Agreement ("Due Diligence Period") within which to determine that the foregoing conditions precedent have been satisfied or, if not satisfied to the reasonable satisfaction of the City, to provide written notice to the Sellers ("Condition Notice") specifying, in reasonable detail, all conditions precedent which have not been satisfied. Upon receipt of a Condition Notice, Sellers may, at their option, elect to cancel this Agreement by written notice to the City in which event this Agreement shall be automatically cancelled, or elect to undertake such action as is necessary to satisfy the conditions precedent identified in the Condition Notice. If the Sellers elect to undertake such action as is necessary to satisfy the conditions precedent identified in a Condition Notice, the Sellers shall have a reasonable period of time, not to exceed ninety (90) days, within which to complete such action as is necessary to satisfy all unsatisfied conditions precedent identified in a Condition Notice and, and if the Sellers fail to satisfy such conditions precedent, the City may elect to terminate this Agreement. Upon the expiration of the Due Diligence Period, unless the City has provided a Condition Notice to the Sellers in the manner and within the time specified herein, the City shall be deemed to have waived any right to terminate this Agreement because of the nonsatisfaction of any of the foregoing conditions precedent and, subject to the Sellers' performance of their obligations

under any of the foregoing conditions precedent and, subject to the Sellers' performance of their obligations under this Agreement, the City shall be obligated to consummate the purchase transaction provided for herein.

10. ENVIRONMENTAL WARRANTIES. The Sellers hereby represent and warrant that during the period of ownership, it has complied with all federal, state and municipal environmental laws, regulations and ordinances as they relate to the Property; and that the Sellers have no actual knowledge of any prior violations of environmental laws affecting the subject Property.

11. TAXES. The Property will not be subject to real estate taxes while owned by the City. The Sellers shall pay all real estate taxes which have accrued or will be accrued as of the date of closing.

12. CLOSING EXPENSES. The City shall pay all closing costs in connection with this transaction.

13. RELOCATION RIGHTS AND EXPENSES. The sellers acknowledge that the purchase price set forth above includes compensation for relocation assistance and the Sellers waive any rights, claims or causes of action arising under and/or from any State or Federal Statutes including, but not limited to, the Nebraska Relocation Assistance Act, Neb. Rev. Stat., §76-1214 to §76-1242.

14. NOTICES. All notices envisioned under the terms and conditions of this Contract shall be sent to the other party by first class United States mail, postage prepaid and addressed as follows:

City of Grand Island  
Attention: Mayor  
P.O. Box 1968  
Grand Island, NE 68802-1968

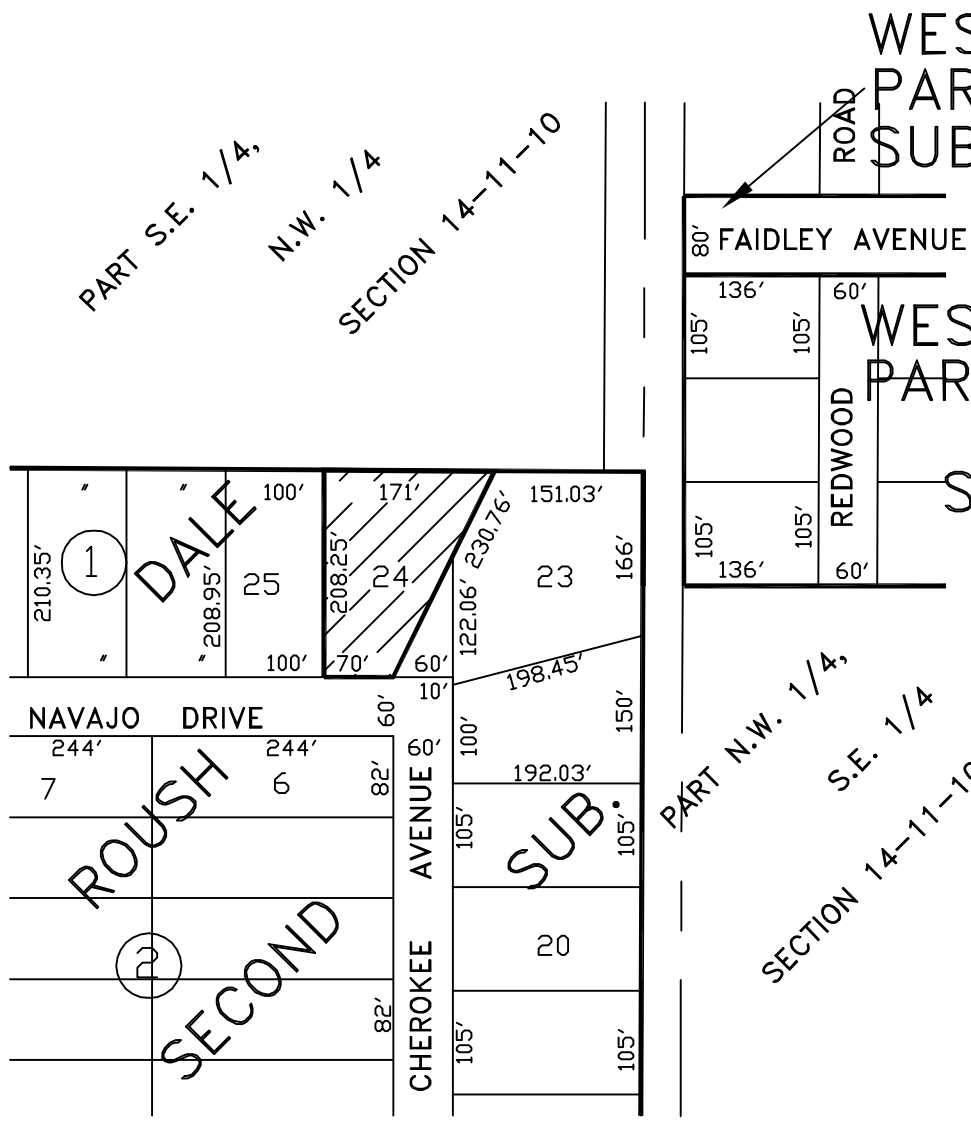
Dean & Julie Thornton  
1 Navajo Drive  
Grand Island, NE 68803  
(308) 384-0655

15. CHOICE OF LAWS. This contract shall be construed in accordance with the laws of the State of Nebraska and the United States of America.










 AREA TO BE ACQUIRED FROM CHESTER D. AND JULIANN E. THORNTON



EXHIBIT "A"

CITY OF  
**GRAND ISLAND**  
PUBLIC WORKS DEPARTMENT

DATE: 3/29/05  
DRN BY: L.D.C.  
SCALE: 1"=200'

PLAT TO ACCOMPANY  
DEED