



City of Grand Island

Tuesday, October 13, 2015

Council Session

Item E-2

Public Hearing on Acquisition of Property at 1203 West 4th Street (Donald Enck, Jr. & Ronna Taylor)

Council action will take place under Consent Agenda item G-6.

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Tim Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting: October 13, 2015

Subject: Acquisition of Property - 1203 W. 4th Street

Presenter(s): Tim Luchsinger, Utilities Director

Background

The Electric Department, Line Division offices, shops and storage facilities are located in the 1100 block of West North Front Street. The current buildings were first built over 50 years ago. As the City has grown, so has the Utility's Line Division. Rather than abandon the current site and build new to meet this growth, the Utilities Department has acquired suitable adjacent properties as they have become available and integrated those facilities into the previously constructed facilities.

The old YMCA property, which was located on the same block, was acquired in the 70's. A private residence in that same block was acquired in the 80's, and a commercial business in the block just east was acquired in the 90's. In 2002, a small lot was purchased directly west of the old YMCA property.

These acquisitions have been fully integrated into the Line Division's operations, and have provided well for the needed growth. Recently the Utilities Department became aware of another property in the area which would be suitable to meet future growth needs. That property is on the market.

Discussion

A private residence at 1203 West 4th Street, immediately west of the Line Division block is being sold. The Utilities and Legal staff have met with the owner's representative of the property and negotiated a proposed purchase price of \$21,000. This price is a result of a recent appraisal that was made of the property. The property consists of a run-down house that has been vacant for a period of time.

The intent of this property would be to raze the house and convert the empty lot to parking. Parking within the Line Division block is limited and typically results in employees parking along the street. The acquisition of this property would allow

adequate off-street employee parking as well as improve the aesthetics of the neighborhood.

Alternatives

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

The Council may:

1. Move to approve
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 property at 1203 West 4th Street.

Sample Motion

Move to approve the purchase of the property at 1203 West 4th Street.

PURCHASE AGREEMENT

This Purchase Agreement (“Agreement”) is entered into this 13th day of October, 2015, by and between Donald Enck and Ronna Taylor, joint tenants, (“Sellers”) and the City Of Grand Island, (“Buyer”).

Recitals

WHEREAS, Sellers are the owners of the real estate and improvements located at 1203 W 4th Street, Grand Island, Nebraska, and legally described as:

Fractional Lot One (1) in Fractional Block Three (3) of Arnold & Abbott’s Addition to the City of Grand Island, Hall County, Nebraska, and its complement: Fractional Lot One (1) in Fractional Block Fourteen (14) of Bonnie Brae Addition to the City of Grand Island, Hall County, Nebraska; and

WHEREAS, Sellers desire to sell, and Buyer desires to purchase the Property, subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing, it is agreed by Sellers and Buyer as follows:

1. Transfer of Property
 - 1.1 Sale and Purchase. Sellers agree to sell the Property to Buyer, and Buyer agrees to purchase the Property from Sellers on the terms and conditions set forth herein.
 - 1.2 Purchase Price. The purchase price for the Property shall be TWENTY-ONE THOUSAND DOLLARS AND NO/100 (\$21,000.00) payable in full at Closing.
 - 1.3 Closing. The Closing shall take place on or before November 1, 2015, at the office of Grand Island Abstract, Escrow & Title Company in Grand Island, Nebraska.
 - 1.4 Title Insurance. Within ten (10) days of execution of this Agreement, Buyer shall obtain an owner’s policy of title insurance prepared by Grand Island Abstract, Escrow & Title Company (“Title Company”), which insures marketable title to the Property; subject only to such exceptions as may be acceptable to Buyer (“Permitted Exceptions”). Buyer shall notify Sellers of any objections to the title commitment and Sellers shall have a reasonable period to cure such objections. If Sellers are unable or unwilling to cure any objections, either party may terminate this Agreement without penalty.

- 1.5 Title and Possession. Sellers agree to convey the Property to Buyer at Closing by General Warranty Deed subject to only the Permitted Exceptions, and free and clear of any lease agreement with any third party.
- 1.6 Taxes, Assessments, and Other Costs. All property taxes and assessments related to the Property for 2014 and all prior years (if any) shall be paid by Seller at or prior to Closing. All property taxes and assessments for the Property for 2015 shall be prorated to the date of Closing. Any special assessment levied or assessed against the Property prior to Closing shall be paid by Sellers. Sellers shall pay the transfer tax (if any) which is payable upon the recording of the warranty deed from Sellers to Buyer. Buyer shall pay the fee for recording the deed. The Title Company shall close the transaction. The Buyer shall pay the closing costs and fees, including the cost of the owner's title insurance policy.
- 1.7 Personal Property. Sellers shall remove all personal property from the Property prior to closing.

2. Representations and Warranties

- 2.1 Representations and Warranties of Sellers. Sellers represent and warrant to Buyer as follows:
- 2.1.1 Organization; Power, Good Standing. Sellers are individual citizens and joint tenants in the property and have all requisite power and authority to enter into this Agreement and perform the obligations hereunder.
- 2.1.2 Authority Relative to Agreement. This Agreement has been duly approved by the Sellers and executed same, and constitutes a legal, valid, and binding obligation of Sellers, enforceable against Sellers in accordance with its terms.
- 2.1.3 "AS-IS" Sellers are selling the Property "AS-IS," making no representations or warranties concerning the Property of any kind or nature except Sellers warrant the following:
- A. Their ownership of the Property and the conveyance of marketable title to Buyer at closing.
- B. Sellers have no knowledge and have received no notice of any violation of applicable occupational safety and health standards established by law or regulation.
- C. The Property and its current use are in compliance with all applicable zoning ordinances.

- 2.1.4 Inspections. Buyer may obtain such inspections of the Property as Buyer may desire at Buyer's expense. If Buyer is dissatisfied with the condition of the Property or compliance with any applicable zoning or environmental regulations established by law or regulations and if Sellers decline to make any requested repairs to the Property or comply with any claimed violations, Buyer may terminate the Agreement without penalty. Sellers have no obligation to perform any repairs to the Property.
- 2.2 Representations and Warranties of Buyer. Buyer represents and warrants to Sellers as follows:
- 2.2.1 Organization; Power, Good Standing. Buyer is a municipal corporation organized and existing under the laws of the State of Nebraska and has all requisite power and authority to enter into this Agreement and perform the obligations hereunder.
- 2.2.2 Authority Relative to Agreement. This Agreement has been duly approved by the City Council of Buyer and executed by its Mayor, and constitutes a legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms.
- 3. Miscellaneous**
- 3.1 Binding Effect; Benefits. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Notwithstanding anything contained in this Agreement to the contrary, nothing in this Agreement, express or implied, is intended to confer on any person other than the parties hereto or their respective successors and assigns any right, remedy, obligation, or liability under or by reason of this Agreement.
- 3.2 Risk of Loss. All risk of loss or damage to the Property by fire or other casualty until Closing is assumed by the Sellers. In the event of a material loss or damage to the Property the Buyer shall have the right to cancel this Agreement. Sellers have no obligation to repair the Property.
- 3.3 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.
- 3.4 Further Assurances. Each of the parties hereto, without further consideration, agrees to execute and deliver such other documents and take such other action, whether prior to or subsequent to Closing, as may be necessary to more effectively consummate the intent and purpose of this Agreement.

- 3.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.
- 3.6 Severability. If for any reason whatsoever any one or more of the provisions of this Agreement shall be held or deemed to be inoperative, unenforceable, or invalid, such circumstances shall not have the effect of rendering any of the other provisions of this Agreement inoperative, unenforceable, or invalid.
- 3.7 Survival and Nonmerger. All terms, conditions, representations, and warranties contained in this Agreement shall survive Closing, including, but not limited to, the execution and delivery of any deed related to the Property to be conveyed hereunder, and shall not merge into any deed.
- 3.8 Default. In the event of default by either party, the non-defaulting party may enforce all rights and remedies as by law provided.
- 3.9 Assignment. This agreement is not assignable by Buyer without the prior written consent of the Sellers.

IN WITNESS WHEREOF THE PARTIES HAVE SET THEIR RESPECTIVE HANDS THE DAY AND YEAR ABOVE WRITTEN.

SELLERS:

DONALD ENCK AND RONNA TAYLOR, JOINT TENANTS

BY _____
DONALD ENCK

BY _____
RONNA TAYLOR

BUYER:

CITY OF GRAND ISLAND, NEBRASKA

BY _____
JEREMY JENSEN, MAYOR

ATTEST:

BY _____
CITY CLERK

STATE OF NEBRASKA

SS:

COUNTY OF HALL

The foregoing was acknowledged before me on the _____ day of October, 2015, by Donald Enck.

Notary Public

STATE OF NEBRASKA

SS:

COUNTY OF HALL

The foregoing was acknowledged before me on the _____ day of October, 2015, by Ronna Taylor.

Notary Public

STATE OF NEBRASKA

SS:

COUNTY OF HALL

The foregoing was acknowledged before me on the _____ day of October, 2015, by Jeremy Jensen, Mayor of the City of Grand Island, Nebraska, a municipal corporation.

Notary Public

THIS CONTRACT IS IN DUE FORM ACCORDING TO LAW AND HEREBY APPROVED:

Date: October _____, 2015

Stacy R. Nonhof
Assistant Grand Island City Attorney