



City of Grand Island

**Tuesday, March 01, 2005
Study Session/Special Mtg**

Item I1

**#2005-58 - Approving Agreement with Grand Island Public School
for Acquisition of Former Wasmer School Property**

Staff Contact: Doug Walker

Council Agenda Memo

From: Douglas R. Walker, City Attorney

Meeting: January 11, 2005

Subject: Resolution Authorizing the Purchase of the Old Wasmer School Property; Located at 1613 West Division Street

Item #'s: I-1

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

Background

A public hearing was held on January 11, 2005, regarding the acquisition of the Old Wasmer School Property. City Council action must also be taken by resolution for the City of Grand Island to acquire property. Grand Island Public Schools own the property at 1613 West Division Street and have agreed to sell this property.

Discussion

The city has been working with the Nebraska Department of Roads on a project to widen Second Street (US Highway 30) between Grant Street and Greenwich Street. The area experiences significant ponding of storm water runoff. The City of Grand Island is interested in the old Wasmer Elementary School Site for use as a detention cell. The Grand Island Public Schools advertised for bids on November 12, 2004. The City of Grand Island submitted a bid for \$180,100 on December 1, 2004. At the December 9, 2004 school board meeting, the school board members voted to accept the City of Grand Island's bid to purchase the property. The bid must be approved by the Mayor and the City Council. There are sufficient funds in account 40015025-90005 to purchase the property.

Alternatives

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

1. Move to approve the purchase of the property.
2. Refer the issue to a Committee.

3. Postpone the issue to future date.
4. Take no action on the issue.

Recommendation

City Administration recommends that the Council approve the purchase of the Old Wasmer School property for \$180,100 and pass a resolution authorizing the Mayor to sign an agreement with the Grand Island Public Schools for the purchase.

Sample Motion

Move to approve the acquisition of the Old Wasmer School Property.

AGREEMENT FOR SALE AND PURCHASE OF REAL ESTATE

KNOW ALL MEN BY THESE PRESENTS:

The undersigned Seller does hereby sell to the undersigned Buyer the following-described real estate for the price and upon the terms and conditions set forth herein, and the undersigned Buyer does hereby accept said terms and conditions, agrees to pay the purchase price, and to perform the obligations of Buyer hereunder.

1. The Seller is: Hall County School District 2, known as Grand Island Public Schools. Seller's address and telephone number are: 123 South Webb Road, Grand Island, Nebraska 68803; (308) 385-5900.

2. The Buyer is: City of Grand Island, Nebraska, a City of the First Class of the State of Nebraska. Buyer's address and telephone number are: 100 E. 1st Street, Grand Island, Nebraska 68801; (308) 385-5444.

3. The legal description of the real estate is:

Lots One (1) through Ten (10), Block Twelve (12), Wasmer's Addition to the City of Grand Island, Hall County, Nebraska

4. The purchase price is One Hundred Eighty Thousand One Hundred and No/100 Dollars (\$180,100.00).

5. The purchase price shall be paid to Seller by Buyer as follows:

(a) The sum of EIGHTEEN THOUSAND TEN and NO/100 DOLLARS (\$18,010.00) was paid to Seller by Buyer on November 30, 2004, receipt of which is hereby acknowledged.

(b) The balance of the purchase price in the amount of ONE HUNDRED SIXTY-TWO THOUSAND NINETY AND NO/100 Dollars (\$162,090.00) shall be paid in cash by cashier's check or certified funds at closing as hereinafter provided.

6. The Buyer shall be entitled to possession of the subject property upon the closing of this transaction, and the closing shall be on or before February 28, 2005, which is herein called the closing date.

7. The following contingency provisions shall be applicable to this Agreement and must be satisfied prior to the date of closing:

(a) The City of Grand Island, Nebraska shall comply with the requirements of NEB. REV. STAT. §18-1755 (Reissue 1997) requiring authorization of acquisition by action taken in a public meeting after notice and a public hearing; and

(b) The Board of Education for the Hall County School District 2 shall comply with the requirements of NEB. REV. STAT. §79-10,114 (Reissue 2003) requiring approval at a regular meeting of the Board of Education with an affirmative recorded vote of at least two-thirds (2/3) of all the members of the Board.

8. As soon as reasonably possible after the execution of this agreement, the Seller shall furnish the Buyer with an Owner's Title Insurance Commitment showing marketable title to the premises to be vested in the Seller subject only to easements, restrictions and conditions of record. Within a reasonable time after the Buyer's receipt of said title insurance commitment, the Buyer shall furnish the Seller with a written opinion from the Buyer's attorney containing any objections to the Seller's title which the Buyer claims to exist. If the Buyer finds any meritorious defects in the Seller's title, then the Seller shall have the option of canceling this agreement and refunding the Buyer's down payment in full or of correcting and curing the defect in title. If the Seller elects to cancel this agreement, the Seller shall refund the Buyer's down payment hereunder in full and this agreement shall thereafter be of no further force or effect whatsoever. If the Seller elects to cure and correct the defect in title, the Seller shall have a reasonable time within which to do so.

The parties hereto agree that the cost of the Owner's Title Insurance Policy in the amount of the purchase price shall be paid equally by the Buyer and the Seller; however, the cost of the Mortgagee's endorsement or any other requirements imposed by Buyer's lender, if any, including any surveying costs, loan origination fees and/or discount points, shall be paid entirely by the Buyer.

9. The parties acknowledge that there are currently no real estate taxes assessed against the subject property for the year 2004 and all prior years by reason of exemption pursuant to NEB. REV. STAT. §77-202(a) (Cum. Supp. 2003). The real estate taxes for the year 2005, if any, shall be assumed and paid by the Buyer. The parties also acknowledge that this transaction is exempt from any real estate transfer tax by reason of NEB. REV. STAT. §76-902(2).

10. The Seller shall pay all special tax assessments, if any, against the subject property prior to the closing date, and the Buyer shall pay all special tax assessments levied against the subject property from and after the closing date.

11. The closing will be at the offices of Leininger, Smith, Johnson, Baack, Placzek, Steele & Allen, 104 N. Wheeler, Grand Island, Nebraska, on or before February 28, 2005, at which time the Seller shall deliver to Buyer a fully executed Warranty Deed conveying valid marketable title to the subject real estate to the Buyer free and clear of all special assessments and free and clear of all liens and encumbrances, and Buyer shall remit to Seller the balance of the purchase price as provided hereinabove at Paragraph 5.

12. The parties agree that the property is being sold and purchased upon an "as is" condition and based upon the Buyer's inspection of the property and not upon any representations or warranties by the Seller. The Buyer acknowledges that they have viewed the premises, including improvements and any fence/boundary line establishing the boundaries, and accept the same in their present condition.

13. Risk of loss to the real estate shall be upon the Seller until the time of closing and thereafter shall be upon the Buyer. The Seller shall continue in force until closing all insurance now in force on the real estate.

14. The Seller and the Buyer each agree that time is an essential element of this agreement.

15. If the Buyer breaches this agreement, the down payment shall be forfeited to the Seller as liquidated damages. In addition, the Seller shall be permitted to pursue such other equitable and legal remedies as may be available to the Seller.

16. All covenants and conditions herein contained shall extend to and be obligatory upon the parties hereto and their heirs, assigns, successors and legal representatives.

IN WITNESS WHEREOF, the undersigned have executed this Agreement for Sale and Purchase of Real Estate on the date first noted above.

HALL COUNTY SCHOOL DISTRICT 2

By Lynn R. Cronk
Lynn R. Cronk, President
Board of Education

"SELLER"

ATTEST:

CITY OF GRAND ISLAND, NEBRASKA

RaNae Edwards, City Clerk

By Jay Vavricek, Mayor

"BUYER"

STATE OF NEBRASKA)
) ss:
COUNTY OF HALL)

Before me, a Notary Public qualified in said County, personally came Lynn R. Cronk, President, Board of Education, on behalf of Hall County School District 2, known to me to be the identical person whose name is affixed to the foregoing instrument, and acknowledged the execution thereof to be her voluntary act and deed, and her voluntary act and deed as President of the Board of Education.

Witness my hand and Notarial Seal on February 3, 2005.



Betty L. Wagner
Notary Public

My commission expires: 7-1-08

STATE OF NEBRASKA)
) ss:
COUNTY OF HALL)

Before me, a Notary Public qualified in said County, personally came Jay Vavricek, Mayor of the City of Grand Island, Nebraska, a city of the first class of the State of Nebraska, on behalf of such city, known to me to be the identical person whose name is affixed to the foregoing instrument, and acknowledged the execution thereof to be his voluntary act and deed, and his voluntary act and deed as Mayor of the City of Grand Island, Nebraska.

Witness my hand and notarial seal, this ____ day of _____, 2005.

Notary Public

My commission expires: _____

1446-87/108504

RESOLUTION 2005-58

WHEREAS, on December 21, 2005, by Resolution 2004-320, the City Council of the City of Grand Island approved the acquisition of real estate comprising all of Block Twelve (12), Charles Wasmer's Addition to the city of Grand Island, Hall County, Nebraska to convert such property into a detention cell; and

WHEREAS, the terms and conditions of such conveyance are set out in an Agreement for Sale and Purchase of Real Estate; and

WHEREAS, the City Attorney has reviewed and approved the Agreement for Sale and Purchase of Real Estate.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Agreement for Sale and Purchase of Real Estate by and between the City and Hall County School District No. 2, known as Grand Island Public Schools for the purchase of Block Twelve (12), Wasmer's Addition to the city of Grand Island, Hall County, Nebraska, for the amount of \$180,100 is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such agreement on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, March 8, 2005.

RaNae Edwards, City Clerk