

SUBMITTED BY: Luis Pedroza, Deputy City Manager/City Treasurer

MANAGEMENT TEAM REVIEW: Ana Urquijo, City Manager

FOCUS AREA: Advanced Infrastructure Development and Improvement

ORGANIZATIONAL IMPROVEMENTS: EnterTextHere

SUBJECT: **SECOND READING of ORDINANCE NO. 23-1165**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, AUTHORIZING the SALE of 5 vacant parcels of land on Block 2 of Rancho La Perilla Estates, with Assessor's parcel number 410-08-13505, 410-08-15204, 410-08-15101, 410-08-07803, and 410-08-14504 to SATOW, LLC, pursuant to terms entered into by the parties; establishing severability of components of Ordinance; and establishing an effective date thereof.

EXECUTIVE SUMMARY:

The Mayor and Council approved the one and only bid from SATOW LLC for the purchase of 5 vacant lots at Block 2 of Rancho La Perilla Estates. The 5 lots are semi-improved lots with all utilities available.

BACKGROUND:

The 5 lots were recently donated by Richard and Debra Holman who were no longer interested in developing the lots. The City put out for bid on 11/28/22 and received one bid. The bidder is wanting to develop the lots into housing which must conform to HOA rules and city permit requirements. The lots parcel numbers are 410-08-13505, 410-08-15204, 410-08-15101, 410-08-07803, and 410-08-14504.

The attached purchase agreement contains the city's standard conditions for the sale. The buyer shall be responsible for all closing costs. There is a \$5,000 earnest money deposit required applied to the purchase price. All sale price amount shall be paid upon closing. There is no city financing included. Total sales price is \$5,000 per lot with a total of \$25,000 for all 5 parcels.

The developer would like to build homes on these vacant parcels at La Perilla, adding improved structures with property taxes and additional home stock available in benefit to the City.

DISCUSSION:

Staff recommends approval of the purchase agreement and to execute all pertinent documentation for the sale of these City parcels.

FISCAL IMPACT:

\$25,000.00 in revenue for the Capital Projects Fund to be utilized for one time future capital needs.

Fiscal Year: 2022/2023

Amount Requested:

Budgeted: Y / N

Account (s):

“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE THE SECOND READING OF ORDINANCE NO. 23-1165 BY NUMBER AND TITLE ONLY.”