

SUBMITTED BY: Luis Pedroza, Deputy City Manager

MANAGEMENT TEAM REVIEW: Ana Urquijo, City Manager

FOCUS AREA: Other / NA

SUBJECT: **SECOND READING OF ORDINANCE 25-1223**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the **EXECUTION** of a **PROPERTY EXCHANGE AGREEMENT** with the **DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**, for sections of real property, identified as the **DOUGLAS AQUATIC CENTER**, the **OLD SEGREGATED HISTORIC SCHOOL** and **OTHER VACANT LAND PARCELS** in exchange for sections of real property identified as the **ARMANDO DE LUCAS FOOTBALL** and **COPPER KING BASEBALL STADIUMS**; Establishing severability of components of ordinance; and establishing an effective date thereof.

EXECUTIVE SUMMARY:

The Douglas Unified School District No. 27 (DUSD) approached the city about seeking ownership of the football and baseball stadiums in order to provide the ability for future improvement of both fields. The City of Douglas owns the Aquatic Center on DUSD land and seeks the same abilities to have full control of the property. Both agencies agree to continue to pursue future Intergovernmental Agreements to allow the continued shared use of the facilities. Other properties are included as part of the exchange to provide an equal land value of the properties.

BACKGROUND:

Through the proposed Property Exchange Agreement the DUSD and the city agree to exchange the following properties:

DUSD gets the Football and Baseball Stadiums but excludes the parking lot and Monchi Gonzalez Little League Field. The city gets the Aquatic Center that includes the Aquatic Center parking lot, racquetball courts, basketball court and vacant land east of the basketball courts. The city also gets the old unutilized Segregated Historic School on 4th Street and F Avenue and six other vacant parcels. The six vacant parcels provide the city the opportunity for flood control and possibly future groundwater well sites as well as other potential development.

The complete parcel list is included as part of the Exhibits in the Property Exchange Agreement. The baseball and football stadiums and aquatic center will require a survey to cut out of their existing parcel. The agreement calls for each party to pay for cost of survey for their currently owned properties. We came up with a value of the properties based on Cochise County assessed land valuations and estimates based on the acreage of the football and baseball stadiums and aquatic center. The values of the DUSD owned properties to be transferred to the city is \$435,282.00 and the city property to be transferred to DUSD is \$438,058.00. The properties are very close in value and both parties agree to an exchange without any monetary transfer except for each party responsible for survey costs and a split of associated closing costs.

The parties agree that the exchange will give greater control over these recreational facilities for their respective uses. The Property Exchange Agreement also calls for existing IGAs to be terminated and new IGAs formed to reflect the desired continued shared used of the facilities.

DISCUSSION:

City recommends the equitable exchange of property with the DUSD that fosters continued partnership and vision towards the betterment of the city's recreational facilities.

FISCAL IMPACT:

Cost of survey and closing costs to be determined later.

“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE THE SECOND READING OF ORDINANCE NO. 25-1223 BY NUMBER AND TITLE ONLY.”