

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

MANAGEMENT TEAM REVIEW: Ana Urquijo, City Manager

FOCUS AREA: Other / NA

ORGANIZATIONAL IMPROVEMENTS: EnterTextHere

SUBJECT: **FIRST READING OF ORDINANCE NO. 24-1192**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **AUTHORIZING** the **SALE** of a parcel of land located on the north side of **11th Street, approximately 1,242 feet west of Pan American Avenue**, with Assessor's parcel number 409-06-020E3 to **OVA ENTERPRISES LLC.**, pursuant to terms entered into by the parties; establishing severability of components of Ordinance; and establishing an effective date thereof.

EXECUTIVE SUMMARY:

The Douglas IDA recently sold parcel 409-06-020L to OVA Enterprises containing a warehouse that was being leased by the IDA to OVA Enterprises. The city owns the thin parcel west of the OVA parcel that occupies the existing compound. OVA Enterprises is interested in buying the parcel and Mayor and Council provided direction to staff to negotiate the sale.

BACKGROUND:

City Council recently took action to release the parcel sold by the IDA of its previous lease and management agreements held between the IDA and the city since 1978 and 1979 respectively, established in partnership at the time to attract industrial development to the area. It is unclear how the parcel split of the warehouse and the small city parcel came about, but the parcel remained under the lease agreement for use by the IDA. With IDA now selling the large parcel, the city owned parcel is no longer under any lease, therefore the city may proceed with the proposed sale.

The city owned parcel 409-06-020E currently intersects the warehouse facility compound and encompasses the existing entrance. The parcel is about 55 feet wide and 363 feet in length for a total of 0.47 acres. The parcel would be considered an undevelopable parcel on its own and since it is already part of the compound, OVA Enterprises would like to continue to use it. The Mayor and Council directed staff to negotiate the purchase of this parcel. The proposed purchase price is \$15,000 with \$5,000 due at opening of escrow.

The standard purchase agreement is included for consideration of the sale of this parcel.

DISCUSSION:

Staff recommend approval of the sale as directed by the Mayor and Council.

FISCAL IMPACT:

None.

Fiscal Year: 2024/2025

Amount Requested: \$0

Budgeted: Y / N

Account (s):

“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE THE PLACEMENT OF ORDINANCE NO. 24-1192 ON ITS FIRST READING BY NUMBER AND TITLE ONLY.”

“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE THE FIRST READING OF ORDINANCE NO. 24-1192 AND TO PLACE IT ON SECOND READING BY NUMBER AND TITLE ONLY.”