



MEMORANDUM

April 2, 2012

TO: Board of Mayor and Aldermen

FROM: Eric S. Stuckey, City Administrator
David Parker, P.E., City Engineer
Paul Holzen, P.E., Interim Director of Engineering
Ben Worley, Right of Way Agent/Project Manager

SUBJECT: Consideration of the Purchase of the Property Located at 1846 Wilson Pike for the McEwen Drive at Wilson Pike Intersection Improvements in the Amount of \$310,000.

Purpose

The purpose of this memorandum is to provide the Board of Mayor and Alderman (BOMA) with information regarding the purchase of the property from Clovercroft LLC, (Dress Homes) located at 1846 Wilson Pike.

Background

On February 6, 2012 staff received a letter from Mr. John Waits, Assistant Secretary for Clovercroft, LLC requesting that we consider the purchase of the entire property located at 1846 Wilson Pike. Staff asked the appraiser on the project to value the property as a whole rather than just the right-of-way for the intersection improvements. Our appraiser John Hahn came back with a cost approach value of \$312,950. Staff negotiated a price of \$310,000 with the property owner. At this time the property is vacant and if BOMA decides to purchase would not require any relocation benefits for any tenants.

Financial Impact

The Board of Mayor and Alderman have three (2) options:

1. Settle for the negotiated value (\$310,000).
2. Purchase only the required Right-of-Way for the intersection improvements.

Funding for this purchase could come from County Facility Taxes collected and distributed to the City of Franklin. This funding source is also being used to fund improvements at the Wilson/McEwen intersection. A budget amendment would be necessary.

Recommendation

Staff recommendation is to purchase the entire property for the negotiated amount of \$310,000.