



MEMORANDUM

December 30, 2009

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
David Parker, City Engineer/CIP Executive

SUBJECT: 3rd Avenue Extension Project
Property Acquisition – Map 63N D, Parcel 6.01
Robert N. Moore, Jr. Property

Purpose

The purpose of this memorandum is to provide information to the Board of Mayor and Aldermen (BOMA) to consider the acquisition of property for the Third Avenue Extension project.

Background

The extension of Third Avenue North (BOMA 2010-2014 CIP Priority #6 and included in the BOMA-approved funding plan) requires the City to purchase a tract of land from Robert N. Moore, Jr. The tract in question has been appraised on several different occasions with the latest appraisal being conducted by Norman Hall & Associates with a Date of Report of May 19, 2009. Staff met with Mr. Moore recently to discuss the purchase of his property, Map 63N D, Parcel 6.01. We have negotiated this purchase with Mr. Moore and are bringing forth his offer of sale to the Franklin Board of Mayor and Aldermen (BOMA) for consideration.

In past negotiations, Mr. Moore was provided copies of the various appraisals and is now willing to settle the sale of the property known as Map 63N D, Parcel 6.01 for \$186,500. This is \$12,000 less than the appraised amount as reported in the May 19, 2009 appraisal. Mr. Moore has indicated that he is willing to settle at this amount (\$186,500), even though it is less than the appraised amount that he had previously been offered for the property, in order to settle the matter as quickly as possible where the City can continue with the construction of the project (Third Ave Extension). Mr. Moore's offer of sale is contingent, however, upon the acceptance by BOMA before February 1, 2010.

Additionally, two of the properties appraised at the same time and contained in the May 19, 2009 Appraisal Report by Norman Hall have recently sold at or above the appraised values listed in the Report. These properties are contiguous with the property the City is seeking to purchase and these sales will affect property values in the general area.

Financial Impact

The cost for this property (\$186,500) is included in the budgeted amount (\$3,959,900) of the Third Avenue North Extension Project as approved (September 22, 2009) for funding in the City's Capital Funding Plan.

Recommendation

Acceptance of the offer of sale at \$186,500 as provided by Mr. Moore for the purchase of the property known as Map 63N D, Parcel 6.01 is recommended.

