



HISTORIC
FRANKLIN
TENNESSEE

ITEM #3
CIC
07-12-12

MEMORANDUM

June 29, 2012

TO: Board of Mayor and Aldermen

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

SUBJECT: **Resolution 2012-39; Resolution Declaring Certain Property
On Liberty Pike as Surplus Property**

Purpose

The purpose of this memorandum is to provide the information necessary for the Franklin Board of Mayor and Aldermen (BOMA) to make an informed decision concerning Resolution 2012-39, Declaring Certain Property on Liberty Pike as Surplus Property.

Background

City staff was approached by representatives of the Factory at Franklin with the proposal for the City to sell to the Factory at Franklin a small piece of property owned by the City along Liberty Pike. The Factory at Franklin desires to acquire this piece of property to eliminate any question as to ownership and maintenance responsibilities for the property. The piece of property in question is a triangular property bounded on two (2) sides by the Factory at Franklin and the third side by the right-of-way (ROW) for Liberty Pike. This piece of property is very small (1,107 square feet as per the legal description prepared by Littlejohn Engineering) and there are no public utilities located within the piece of property. This piece of property is a remnant from the purchase of ROW from Kevin M. McKeehan for the relocation of Liberty Pike in 1997. The City had to include this remnant as a part of the ROW purchase because the construction of Liberty Pike would render the remnant property remote and unusable to the original property owner.

Staff believes it is in the best interest of the City to sell this piece of property as it is of no value to the City and by selling the property it will be placed back on the tax role. Resolution 2012-39 has been drafted to formally handle the process of declaring this property as surplus with the intent to sell it to the Factory at Franklin.

During the discuss with the Factor at Franklin representatives, it was agreed that the easiest way to derive the value of the remnant piece of property is to use the value of the final settlement for the purchase of the Liberty Pike ROW from Mr. McKeehan. Using this per square foot (SF) value (\$ 1.37) and the size of the piece of property in question (1,107 SF), staff has determined that the sell price of the remnant property should be \$1,516.59.

Financial Impact

The City would realize an income of \$1,516.59 for the sale of a piece of property that is not needed for the health, safety and welfare of the general public and will benefit, however small such a benefit might be, with additional tax dollars.



Options

1. Approve Resolution 2012-39 and sell the remnant property to the Factor at Franklin at a cost of \$1,516.59; or
2. Approve Resolution 2012-39 and sell the remnant property to the Factor at Franklin at a cost other than \$1,516.59; or
3. Approve Resolution as may be amended such that the property is sold to highest bidder; or
4. Do nothing and keep property.

Recommendation

Staff recommends Option 1 above; approve Resolution 2012-39 and sell the remnant property to the Factor at Franklin at a cost of \$1,516.59.

RESOLUTION 2012-39

**A RESOLUTION DECLARING CERTAIN PROPERTY ON
LIBERTY PIKE AS SURPLUS PROPERTY**

WHEREAS, in March 1997 the Board of Mayor and Aldermen determined that the Proposed Liberty Pike Phase III Improvements, which lie in the City limits of Franklin east of Franklin Road (SR 6, US 31) were necessary, suitable and desirable for the public welfare; and

WHEREAS, it was necessary in connection with the construction of the Liberty Pike Phase III Improvements to obtain rights-of-way (ROW) from landowners for these improvements; and

WHEREAS, the City has obtained ownership of a portion a Tract of Property known as the McKeehan Property (Tax Map 63-M, Group "A", Parcel 20) the majority of which is being used for the ROW for Liberty Pike; and

WHEREAS, the remaining portion of this property is not needed for any additional ROW or public easements and the City now desires to declare as surplus property in order to sell to the adjoining property owner (the Factory at Franklin) who has indicated an interest in the purchase of the remaining portion of property; and

WHEREAS, the City will realize additional tax benefits from this remaining portion of property being returned to the tax roll with such transfer of ownership of the property.

NOW THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen of the City of Franklin, Tennessee, that the portion of the McKeehan Property purchased for ROW for Liberty Pike as described in attached Exhibit A, Legal Description, and as shown on attached Exhibit B as prepared by Littlejohn Engineering Associates and dated _____ is hereby declared surplus property.

BE IT FURTHER RESOLVED by the Board of Mayor and Aldermen that the property so declared as surplus shall be disposed of by a sale of the property to the Factory of Franklin as negotiated by the City Engineer and approved by the City Administrator.

IT IS SO RESOLVED AND DONE on this 24th day of July 2012.

ATTEST:

CITY OF FRANKLIN, TENNESSE

By: _____

ERIC S. STUCKEY
City Administrator

By: _____

DR. KEN MOORE
Mayor

Approved as to Form

By: _____

Kristen L. Corn
Staff Attorney