



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 24-1586, **Version:** 1

Consider/Discuss/Act on a Resolution Authorizing the Sale of Three Tracts of Land Totaling Approximately 18.7301 Acres of Land as More Particularly Described Hereinafter, Consisting of Approximately 17.8419 Acres of Land Located on the South Side of US 380 East of Its Intersection with Lake Forest Drive (Tract I), Approximately 0.1879 Acres of Land Located on the North Side of US 380 East of Its Intersection with Stonebridge Drive (Tract II), and Approximately 0.7003 Acres of Land Located on the North Side of US 380 East of Its Intersection with Stonebridge Drive (Tract III) to the State of Texas for the Construction of its 380 Bypass Project; and Authorizing the City Manager to Execute Deeds and Documents Regarding the Sale of Said City-Owned Property to the State of Texas

COUNCIL GOAL: Operational Excellence
(2B: Balance available resources to accommodate the growth and maintenance needs of the city)

MEETING DATE: May 21, 2024

DEPARTMENT: Development Services/Engineering

CONTACT: Gary Graham, PE, PTOE, Director of Engineering
Todd Wright, Real Estate Acquisitions Administrator

RECOMMENDED CITY COUNCIL ACTION:

- Approval of Resolution.

ITEM SUMMARY:

- This item authorizes the sale, at fair market value, of three parcels of land totaling approximately 18.7301 Acres to the State of Texas for use as Right-of-Way (ROW) in the construction of a portion of the 380 Bypass from Ridge Road West to Coit Road (the "Project"), and further authorizes the City Manager to execute all necessary deeds and documents for the sale of said property.

BACKGROUND INFORMATION:

- TxDOT is currently planning for the construction of the Project and acquiring ROW necessary for the Project. Construction is tentatively scheduled to begin in 2026.
- TxDOT finds it necessary to acquire three parcels of City-owned land for use as ROW which are identified in the Ordinance as Exhibit A Tract I, Exhibit A Tract II, and Exhibit A Tract III.
- TxDOT submitted an appraisal for each parcel and extended offers on behalf of the State of Texas in excess of the full amount of the appraised fair market value to purchase from the City,

in the following amounts:

- Tract I: Approximately 17.8419 acres of land with a negotiated settlement amount of \$1,790,438.00.
 - Tract II: Approximately 0.1879 acres of land with a negotiated settlement amount of \$104,557.00.
 - Tract III: Approximately 0.7003 acres of land with a negotiated settlement amount of \$323,156.00.
- The City had review appraisals completed by a certified appraiser for the three appraisals submitted by TxDOT. The review appraisals confirmed that the offers extended by TxDOT constituted the fair market value for the subject parcels.
 - The total purchase price for the three parcels is \$2,218,151.00.
 - In addition to the offer to purchase, TxDOT has requested a Possession and Use Agreement (“PUA”) for each parcel, in the following amounts:
 - Tract I: TxDOT is offering an additional \$25,000.00 for the signed PUA.
 - Tract II : TxDOT is offering an additional \$9,238.70 for the signed PUA.
 - Tract III: TxDOT is offering an additional \$25,000.00 for the signed PUA.
 - The total amount to be received for the three PUA’s is \$59,238.70.
 - The Possession and Use Agreement will allow TxDOT to enter onto the parcel, for work related to the project, prior to closing on the purchase.
 - The total amount received from the three sales (\$2,218,151.00) and the three PUA’s (\$59,238.70) is \$2,277,389.70.
 - This agenda item authorizes the sale of the three parcels of land to the State for the fair market values identified above, and further authorizes the City Manager to execute all documents necessary to the sale of said City-Owned land to the State of Texas associated with the construction of the 380 Bypass Project.

FINANCIAL SUMMARY:

- In accordance with Texas Local Government Code Section 272.001(b)(5), the sale is exempt from competitive bidding requirements.
- Proceeds from the sale will be placed in the respective Capital Project Funds from which the land was originally acquired.

BOARD OR COMMISSION RECOMMENDATION:

- N/A