

Staff Summary Report

City Council Meeting Date: 11/4/10

Agenda Item Number: 5D1

SUBJECT: This is the second and final public hearing to approve an ordinance authorizing the mayor to execute agreements to terminate the Lease with, and convey property to CH Realty III/Hayden Ferry I, L.L.C..

DOCUMENT NAME: 20101104cd02 RIO SALADO MASTER PLAN (112-07-03) Ordinance No. 2010.41

COMMENTS: N/A

PREPARED BY: Chris Messer, Principal Planner (350-8562)

REVIEWED BY: Lisa Collins, Community Development Deputy Director, (350-8989)

LEGAL REVIEW BY: Cynthia McCoy, Assistant City Attorney (350-2187)

DEPARTMENT REVIEW BY: Chris Anaradian, Community Development Director (858-2204)

FISCAL NOTE: The property will be deeded back to CH Realty III/Hayden Ferry I, L.L.C at a cost of \$10.00. Once the property is placed on the property tax rolls, it is estimated that the City's portion of the annual property taxes, based on current property tax rates, will total approximately \$36,000 in primary taxes and \$86,000 in secondary taxes.

RECOMMENDATION: Staff recommends approval for Ordinance 2010.41

ADDITIONAL INFO: On October 14, 2002 Hayden Ferry Lakeside LLC conveyed to the City and leased back the property where the current phase one, 8 story, Hayden Ferry Lakeside office building is located. The conveyance of property and the Lease were for the purpose of providing the owners with an 8-year tax abatement, which ended October 14, 2010. Hayden Ferry Lakeside, LLC then assigned the lease to CH Realty III/Hayden Ferry I, L.L.C.. At the end of the abatement period, the City is required to re-convey the property. With this action, the process will begin to transfer the property back to the owners and return the property to the property tax rolls.

To effectuate this transaction, staff has prepared an Agreement to Convey Premises and Notice of Lease Termination, and a Quit Claim Deed. Once executed, these documents will be recorded in Maricopa County and the property will be placed on the property tax rolls effective with the recordation