



## Legislation Text

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**File #:** 13-0220, **Version:** 1

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Resolution to Direct the City Administrator to Request Proposals for Brokerage Services for the Sale of 350 S. Fifth Avenue (Fifth & William Surface Parking Lot/Former Y-Lot)

The City entered into an Installment Purchase Agreement (IPA) with the Bank of Ann Arbor to finance the purchase of 350 S. Fifth Avenue (the former YMCA site) in 2003. The initial IPA was extended in 2008 for an additional 5 yr period expiring in December 2013 (Resolution R-08-485).

At the time the City purchased the S. Fifth Ave property it was anticipated that it would be developed to expand affordable housing options within the downtown. This has not occurred and is currently used as a surface parking lot.

The resolution attached authorized the City Administrator to pursue acquisitions of brokerage services for the sale of the property. The balloon payment on the City's installment loan comes due in December 2013 and it proposed that all available options for sale of the property be pursued to provide the City options in connection with the payment of its financial obligation

Prepared by: Mary Joan Fales, Senior Assistant City Attorney

Sponsors: Mayor Hieftje and Councilmember Kunselman

Whereas, The City is fee owner of the certain property located at 350 S. Fifth Avenue currently used as a surface parking lot and managed by the Downtown Development Authority ("DDA") as the Fifth and William Parking Lot;

Whereas, Use of the property at 350 S. Fifth Avenue as a surface parking lot was intended as a short-term arrangement until redevelopment of the site, whether public or private, was evaluated;

Whereas, Under the terms of the Parking Agreement between the City and the DDA, dated July 1, 2011, lots may be deleted from the DDA Parking Area by written notice delivered by the City to the DDA unless objected to within thirty (30) days of the date of the notice;

Whereas, Section 1:319 of the Ann Arbor City Code allows for disposal of real property when no longer needed for public purposes in accordance with applicable state law, City Charter and ordinance requirements;

Whereas, The engagement of a broker for the sale of 350 S. Fifth Avenue does not require City Council to accept any offer to purchase received through the broker or require the City to withdraw the property from the DDA facilitation of development of City Owned downtown property; and

Whereas, It is in the best interest of the City to pursue all options available to it for the disposition of property which the City does not intend retain for its own use or other public purpose;

RESOLVED, That City Council deems the property located at 350 S. Fifth Avenue no longer needed for municipal or other public purposes;

RESOLVED, That City Council authorizes and directs the City Administrator to develop and release a request for proposals for brokerage services for the sale of 350 S. Fifth Avenue in "as is" condition;

RESOLVED, That City Council authorizes the City Administrator to execute a contract for services with the firm who's response is deemed in the best interest of the City subject to approval of the contract as to form by the City Attorney; and

RESOLVED, That City Council directs the City Administrator to provide a progress report to Council on or before April 1, 2013.