



City of Fayetteville, Arkansas

113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Legislation Text

File #: 2024-1678

Approval of a resolution authorizing the purchase of property and structure located at 2633 N Gregg Avenue (parcel #765-15904-000) , in the amount of \$525,000 plus \$10,000 for the associated closing costs and to approve a budget adjustment.

A RESOLUTION TO APPROVE THE PURCHASE OF PROPERTY LOCATED AT 2633 N. GREGG AVENUE OWNED BY QUALITY LIFE ASSOCIATES, INC. IN THE AMOUNT OF \$525,000.00 PLUS \$10,000.00 FOR CLOSING COSTS, AND TO APPROVE A BUDGET ADJUSTMENT - 2019 STREET IMPROVEMENT BOND PROJECT

WHEREAS, the extension of Futrall Drive has long been on the City's Master Street Plan to provide additional access to approximately 150 acres of undeveloped property west of the railroad tracks, east of Garland Avenue, and north of Drake Street; and

WHEREAS, on December 15, 2020, City Council approved an agreement with the Arkansas Missouri Railroad for the construction of a new railroad crossing at North Futrall Drive and North Gregg Ave.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby authorizes the purchase of property located at 2633 N. Gregg Ave. owned by Quality Life Associates, Inc. in the amount of \$525,000.00, plus \$10,000.00 for the estimated closing costs.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby approves a budget adjustment, a copy of which is attached to this Resolution.



MEETING OF FEBRUARY 6, 2024

TO: Mayor Jordan and City Council

THRU: Chris Brown, Public Works Director
Susan Norton, Chief of Staff

FROM: Matt Casey, Engineering Design Manager

DATE:

SUBJECT: **Approval of a resolution authorizing the purchase of property and structure located at 2633 N Gregg Avenue (parcel #765-15904-000) , in the amount of \$525,000 plus \$10,000 for the associated closing costs and to approve a budget adjustment.**

RECOMMENDATION:

Staff recommends approval of a resolution authorizing the purchase of property and structure located at 2633 N Gregg Avenue (parcel #765-15904-000), in the amount of \$525,000 plus \$10,000 for the associated closing costs and to approve a budget adjustment.

BACKGROUND:

The extension of Futrall Drive has long been on the City's Master Street Plan, to provide additional access to approximately 150 acres of undeveloped property west of the railroad tracks, east of Garland Avenue, and north of Drake Street. The connection will provide a more direct access from the property to the Fulbright Expressway and will include pedestrian facilities to allow for safe crossings at the railroad and Gregg Avenue.

On December 15, 2020, the City Council approved an agreement with the Arkansas Missouri Railroad for the construction of a new railroad crossing at North Futrall Drive and North Gregg Ave. As part of the agreement, the railroad required the closure of an existing crossing.

DISCUSSION:

After the agreement with the railroad was approved, City staff began looking at options to allow for the closure of the existing railroad crossing at Jocelyn Lane. The original concept included the extension of a private drive from the south that included a new bridge crossing of Sublett Creek to access the two properties served by the existing railroad crossing. A preliminary design was prepared, and a cost estimate was developed. With a cost estimate of over \$1,000,000, staff decided to explore other options.

The City Land Agents ordered appraisals of the two properties to evaluate the option to purchase the properties instead of providing access. These properties are both located along the Razorback Greenway and could be an asset to the City's trail system. The 2022 appraised value of the two properties was \$695,000.

With the significant savings possibility with this option, staff reached out to the property owners to begin conversations regarding the purchases. Fortunately, both owners were open to the discussion. In September of 2023, Quality Life Associates provided an updated appraisal of their property for \$546,000. The property contains 1.1 acres and a 3,100 square foot home. After negotiations with the owner, an amount of \$525,000

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was agreed upon.

BUDGET/STAFF IMPACT:

The proposed source for the funding would be the 2019 Transportation Bond Funds.

ATTACHMENTS: SRF (#3), BA (#4), 2633 N Gregg Ave Land Sale Agreement (#4), Quality Life Associates Executed Offer - Brookside 12.11.23 (#5), 2633 Gregg Vicinity Map (#6), 2633 N Gregg Ave Appraisal (#7), 2633 N Gregg (#8)

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VICINITY MAP



