



Legislation Text

File #: 17-901, **Version:** 1

A resolution authorizing the disposal of surplus city-property to Setzer Properties, LLC, as the one logical, potential purchaser.

Presenter:

Greg Phillips
Director of Aviation
Colorado Springs Airport

Summary:

The disposal of surplus city-property to Setzer Properties, LLC, as the one logical, potential purchaser.

Previous Council Action:

N/A

Background:

This item supports the City's strategic goal relating to promoting job creation. Through the sale of this property, this transaction will create economic growth through the construction of a warehouse distribution facility thereby creating jobs and allowing for future expansion over the next 20 years.

The City purchased the subject property in 1992 - 1993 with Federal Aviation Administration ("FAA") grant funds for noise abatement. Setzer Properties, LLC ("Setzer") initiated contact with the City expressing an interest in purchasing about 27 acres for the development of a warehouse distribution facility. Setzer is the first company or person who has shown an interest in developing the property since it was purchased by the City twenty five years ago.

The Airport discussed the potential sale of the property with the FAA and the FAA agreed the intended purpose is a compatible land use with the Airport. The FAA approved the site through a Notice of Proposed Construction submittal.

The Airport has complied with the Real Estate Services Manual as it has received \$.39 per square foot above the fair market value. The Land is surplus City property as it has no potential aeronautical use and based on the use, once developed, it is no longer needed for noise abatement. Setzer is the one logical potential purchaser because it demonstrates a strong natural air cargo synergy with the Airport. Setzer's use will anchor the facility to the Airport and provide the Airport with ongoing revenue.

The Airport has federal statutory obligations to continue to remain as self-sustainable as possible. Based on the synergy Setzer brings with its development, the Airport will demonstrate compliance

with its statutory obligations.

Financial Implications:

As this property was acquired with FAA funds, the proceeds from the sale of this transaction will go to the Airport Enterprise and will be used for eligible projects/purposes per FAA guidelines.

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Motion to authorize the City Real Estate Services Manager to execute all documents necessary to dispose of the 27.49 acres, more or less, of surplus City property, situated north of Stewart Avenue and adjacent to the west entrance of Peterson Air Force Base, in Colorado Springs, El Paso County, Colorado, and to obtain the Mayor's signature on the Quitclaim Deed to convey the Property to Setzer Properties, LLC as the one logical, potential purchaser.

N/A