



Legislation Text

File #: 17-1360, **Version:** 1

A Resolution Declaring Real Property to be Surplus and Authorizing the City's Real Estate Services Office to Retain a Consultant to Aid in Disposition

Presenter:

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Colorado Springs Utilities (Utilities) and City Real Estate Services Office staff requests City Council approval of a resolution declaring real property to be surplus and authorizing the City's Real Estate Services Office to retain a consultant to aid in the disposition.

Previous Council Action:

None with respect to this real property.

Background:

Colorado Springs Utilities staff presented information to the Utilities Board in December 2016 regarding the Utilities' Facilities strategic planning process and Utilities' determination that it no longer requires the third floor of the South Tower of the Plaza of the Rockies, located at 121 S. Tejon Street, for its operations. This determination was based on a number of factors including, but not limited to, staffing reductions, completion of construction activities associated with Phase I of the Southern Delivery System project, and optimization of staff in locations with other groups within the same division or department to meet spacing needs in a more effective manner. Based on these factors, Utilities' facilities and maintenance staff determined that it would be appropriate to seek to dispose of the third floor and associated parking spaces and reduce the annual common area maintenance charges incurred related to the third floor (these charges were approximately \$180,000 for 2017).

Utilities has worked with the City's Real Estate Services Office to determine whether other City departments or enterprises have an interest in becoming the controlling department of the property and no other department or enterprise has expressed such an interest.

Pursuant to The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests, City Council must approve a resolution declaring the property to be surplus property. Additionally, given the specialized nature of the property (i.e., a Class A commercial office condominium), Utilities and the City's Real Estate Services Office are requesting Council approval to retain a consultant to aid in the sale and marketing of the property, rather than pursuing a sealed bid auction.

Financial Implications:

Disposal of the third floor of the Plaza of the Rockies will result in reduced operational costs on an annual basis as well as the capital return resulting from the sale of the property.

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

1. Approve the attached resolution declaring the third floor of the South Tower of the Plaza of the Rockies to be surplus and authorize the City Real Estate Services Office to retain a consultant to aid in the disposition.
2. Do not approve the attached resolution and retain ownership of the property.

Proposed Motion:

Move approval of the proposed Resolution declaring real property to be surplus and authorizing the City's Real Estate Services Office to retain a consultant to aid in disposition

N/A