CITY of ALBUQUERQUE
SEVENTEENTH COUNCIL

COUNCIL BILL NO. R-07-332 ENACTMENT NO. R-2007-139

SPONSORED BY: Isaac Benton

RESOLUTION

AUTHORIZING THE CITY TO ACCEPT THE ASSIGNMENT OF THE OPTION AGREEMENT FROM THE WHEELS MUSEUM AND TO EXERCISE THE OPTION; AUTHORIZING THE USE OF APPROPRIATED MONIES FOR THE PURCHASE OF THE RAILYARD.

WHEREAS, the Wheels Museum and Old Locomotive Shops, LLC, entered into an option agreement on or about March 12, 2007, for The Wheels Museum to acquire that property generally referred to as the "Railyards", which is approximately 27.32 acres of land, more or less; and

WHEREAS, to date, the City has paid $190,000 to Old Locomotive Shops, LLC, as consideration for that option agreement; $100,000 was paid from grant funds available to the City to acquire land and to plan, design and construct a wheels museum; and $90,000 was paid from grant funds available to the City to acquire the railyard property; and

WHEREAS, as of this date, the estimated cost to fully exercise the option on or before December 28, 2007 is $8,609,750, exclusive of closing costs estimated to be at least $860,975; and

WHEREAS, as of this date, the City has available grant funds, general funds, other funds and reserves appropriated in the amount of $6,576,054 that can be used to acquire the railyard property; and

WHEREAS, the option agreement provides that prior to the closing date, the optionee can assign its rights and delegate its duties and obligations to the City of Albuquerque without the prior written approval of the optionor, and The Wheels Museum has assigned the option agreement to the City of Albuquerque; and

WHEREAS, While there is no master plan for the railyard property at this time, the City anticipates that a substantial portion will be used for affordable

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housing as envisioned in the Workforce Housing Act, passed by Albuquerque voters on October 2, 2007; and

WHEREAS, given the size of the parcel and the City's interest in preserving the historic character of the Barelas/Railyard community, while rejuvenating its economic status and providing affordable housing and in-fill developments, the City should exercise this option to ensure that master planning and subsequent development best serves the City and the community as a whole; and

WHEREAS, it is an appropriate use of Workforce Housing Trust Fund money, subject to review and ratification by the Affordable Housing Committee, to provide additional funding in anticipation of the creation of affordable housing on the railyard property which would allow the City to exercise the option to acquire the railyard property on or before December 28, 2007; and

WHEREAS, should the master plan and ultimate development of the railyard property reflect that the scope of any funding used for the acquisition over contributed or under contributed its pro rata cost of the acquisition based on the ultimate uses of the property, the City shall take necessary action to reimburse or collect the difference from the appropriate user of the property; and

WHEREAS, time is of the essence, as failure to completely exercise the option on or before December 28, 2007 will void the option and the City will forfeit all funds paid to the date of forfeiture.

BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF ALBUQUERQUE:

Section 1. That the Mayor is hereby authorized to exercise this option to ensure that master planning and subsequent development best serves the City and the community as a whole.

Section 2. That the Mayor is hereby authorized to use all previously appropriated funds as well as up to $3 million in Workforce Housing Trust Fund money, subject to review and ratification by the Affordable Housing Committee, to provide the funding to allow the City to exercise the option to acquire the railyard property on or before December 28, 2007.

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Section 3. The City shall include a requirement of at least thirty (30) units of Workforce Housing, as defined in the Workforce Housing Opportunity Act, in the RFQ/RFP for the Master Development of the railyard property.

Section 4. Should the master plan and ultimate development of the railyard property reflect that the scope of any funding used for the acquisition over contributed or under contributed its pro rata cost of the acquisition based on the ultimate uses of the property, the City shall take necessary action to reimburse or collect the difference from the appropriate user of the property.

Section 5. The City shall issue its RFQ/RFP for the Master Development of the Railyard property no later than the 4th Quarter of FY/08, following the completion of the Urban Land Institute study of the property. Prior to the publication of the RFQ/RFP, the City shall include the input and participation of the Barelas and South Broadway neighborhoods in the formulation of the RFQ/RFP. The ad hoc or selection committee for the RFQ/RFP shall include, at a minimum, a designee of the Councillor in whose district the project resides.

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PASSED AND ADOPTED THIS 5th DAY OF November, 2007

BY A VOTE OF: 9 FOR 0 AGAINST.

Debbie O'Malley, President

City Council

APPROVED THIS 15th DAY OF November, 2007

Bill No. R-07-332

Martin J. Chávez, Mayor

City of Albuquerque

ATTEST:

City Clerk

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