

RESOLUTION NO. 2005- 111

DECLARING THE INTENTION OF THE GENERAL MANAGER OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY ("GCRTA") TO DISPOSE OF OR ACQUIRE ADDITIONAL INTEREST IN REAL PROPERTY BEFORE THE COMPLETION OF THE EUCLID CORRIDOR TRANSPORTATION PROJECT ("Project") (RTA DEVELOPMENT FUND – ECTP DEPARTMENT BUDGET)

WHEREAS, on May 25, 2005 a Risk Re-Assessment of the Project was conducted to identify potential cost and schedule risk issues, to the ECTP project; and

WHEREAS, based upon the preliminary results GCRTA prepared a Draft Risk Mitigation Plan on June 21, 2005; and

WHEREAS, this Risk Mitigation Plan has been revised on June 23, 2005 to reflect the outcome and consensus from a Federal Transit Administration's ("FTA") Project Management Oversight Consultant (PMOC) visit; and

WHEREAS, one risk mitigation item GCRTA is exploring is the sale or other disposal of surplus portions of real property which is being acquired for the Project ("Surplus Property"), to offset part of the acquisition costs of the real property; and

WHEREAS, Resolution 2005-039 authorized the purchase of Parcel 168 in support the Project, CO-03; and

WHEREAS, it is the intent of the General Manager/Secretary-Treasurer to seek the Board of Trustees' authorization to purchase Parcel 179 in support of the Project, CO-03; and

WHEREAS, a portion of these properties have been identified as Surplus Property; and

WHEREAS, GCRTA had the Surplus Property value certified by a professional real estate company based upon current market value and a probability of sales at those values; and

WHEREAS, the current value of the Surplus Property, which is hereinafter described, is estimated to be \$1,225,000.00; and

WHEREAS, GCRTA wishes to assure the FTA that it will either sell or otherwise dispose of the Surplus Property before completion of the Project, thus creating a credit to the project or, if the Surplus Property cannot be sold or otherwise disposed of before the end of the Project, GCRTA will purchase a 100 percent interest in it through its capital program, thereby reimbursing the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

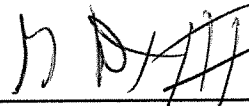
Section 1. That the General Manager/Secretary-Treasurer is hereby authorized to assure the FTA that, if the cost of the ECTP project exceeds the FFGA amount of \$168.4 million and if the FTA agrees that any and all proceeds of the sale or other disposal of the Surplus Property may be transferred by GCRTA to other public transit uses, the GCRTA will sell or otherwise dispose of or purchase a 100 percent interest in the Surplus Property prior to the completion of the

ECTP. The Surplus Property consists of approximately 197,000 square feet of land from two properties: 1) Approximately 101,000 square feet of land (about 2.3 acres) from ECTP parcel number 168, bearing Cuyahoga County Auditor's Permanent Parcel Numbers 118-11-004, 118-11-005, 118-11-006B, 118-11-007, 118-11-008, 118-11-009, 118-11-010 and 118-11-011 and located at 5508-5810 Euclid Avenue in Cleveland, Ohio, and 2) approximately 96,000 square feet of land (about 2.2 acres) from ECTP Parcel 179, bearing Cuyahoga County Auditor's Permanent Parcel Numbers 118-06-025, 118-06-026, 118-06-027 and 118-06-050 and located at 6611 Euclid Avenue and 1990 East 69th Street in Cleveland, Ohio.

Section 2. That any and all agreements for the sale or disposal of any of the Surplus Property require the approval of the Board of Trustees of the Greater Cleveland Regional Transit Authority.

Section 3. That this resolution shall become effective immediately upon adoption.

Adopted: August 23, 2005



President

Attest: 

CEO, General Manager/Secretary-Treasurer

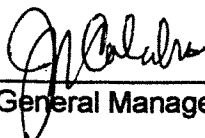


Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

DECLARING THE INTENTION OF THE GENERAL MANAGER OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY ("GCRTA") TO DISPOSE OF OR ACQUIRE ADDITIONAL INTEREST IN REAL PROPERTY BEFORE THE COMPLETION OF THE EUCLID CORRIDOR TRANSPORTATION PROJECT ("Project"). (RTA DEVELOPMENT FUND – ECTP DEPARTMENT BUDGET)	Resolution No.: 2005- 111
	Date: August 18, 2005
	Initiator: Euclid Corridor Transportation Project
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** The purpose of declaring the intent to dispose of or acquire additional interest in this real property is to effect risk mitigation for the Euclid Corridor Transportation Project.
- 2.0 **DESCRIPTION/JUSTIFICATION:** Implementing our Mitigation Plan is vital for meeting FTA requirements for the continuation of the Euclid Corridor Transportation Project.
- 3.0 **PROCUREMENT BACKGROUND:** Does Not Apply.
- 4.0 **DBE/AFFIRMATIVE ACTION BACKGROUND:** Does Not Apply.
- 5.0 **POLICY IMPACT:** This is consistent with GCRTA's Real Estate Policy, which states that the Board must approve dispositions of real estate.
- 6.0 **ECONOMIC IMPACT:** If GCRTA purchase a 100% interest in the Surplus Property, there will be a \$1,225,000 decrease in the ECTP project cost, which will be offset by a \$1,225,000 land acquisition cost within GCRTA's Development Fund.
- 7.0 **ALTERNATIVES:** There are no viable alternatives, since this is required by the FTA.
- 8.0 **RECOMMENDATION:** Staff recommends that the Board of Trustees approve the resolution to authorize the General Manager to provide these assurances to the FTA.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer