



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 11/19/2019

DEPARTMENT: Legal

STAFF CONTACT: Ron Shaver, City Attorney

SUBJECT: Consideration of payment of a jury award in *R.C. Rentals, LLC, et al. v. City of Olathe*

ITEM DESCRIPTION:

Consideration of payment of a jury award in *R.C. Rentals, LLC, et al. v. City of Olathe*

SUMMARY:

The City acquired the building located at 1200 E. Santa Fe Street (former R.C. Rentals, LLC/All American Auto Mart used vehicle dealership) as part of the Santa Fe Street and Ridgeview Road Geometric Improvements Project (PN 3-C-083-15) through the eminent domain process and paid the Court-appointed appraisers award of \$590,000 in November, 2018. The property owner appealed the award and the case proceeded to a jury trial. On November 6, 2019, the jury entered an award of \$801,000 for the taking of the property (\$211,000 above the Court-appointed appraisers award) which was memorialized in a Journal Entry signed by all parties and District Court Judge Gurney on November 12, 2019 (Attachment A).

During the jury trial, the City's appraiser provided a final appraised value of \$470,000 for the property. The landowner's appraiser provided a final appraised value of \$1,000,000 for the property and the former owner testified his belief that the property should be valued at \$1,250,000 based on an adjacent land sale. The jury award was a compromise in between the appraisals of the City and the former landowner.

The judgment, court costs and interest to be paid are as outlined below:

Judgment	\$211,000
Interest at 6.5% from 12/1/16-6/30/19	\$7,964.84
Interest at 7.0% from 7/1/19-11/6/19	<u>\$5,219.34</u>
TOTAL	\$224,184.18
(plus statutory judgment interest until paid).	

FINANCIAL IMPACT:

See above. Funds to pay the judgment will come from the project fund.

ACTION NEEDED:

Approve payment of the jury award (plus interest) in *R.C. Rentals, LLC, et al. v. City of Olathe*.

ATTACHMENT(S):

Attachment A - RC Rentals v. City of Olathe Journal Entry 11.12.2019