



Cheyenne Herald

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by Dave Featherly, Publisher and Editor

County claims 5/9 ownership in land the City is trying to sell to Menards

We're about to see whether the sale of 23.87 acres of land on Windmill Road at Dell Range Boulevard is more about economic development or cash.

My money is on cash.

For quite awhile, the City has been in negotiations with the Eau Claire, Wisconsin based home improvement chain, Menards, regarding the land at the above referenced intersection. At first, the talks were very secretive, but more recently, to legitimize the prior actions, the negotiations were brought into the open. An RFP (Request for Proposal) was sent that gave such a short time for response that the City knew only Menards could react.

They did, as presumably prearranged and submitted an offer that seems to change with the wind. The latest offer is for ~\$5.25 / sq. ft. and Menards will provide the infrastructure for their facility.

A few days ago, the City's Finance Committee was about to approve the sale based on the "negotiations" accomplished by the mayor.

But, then. But, then. But, then, along came Sam. Or Diane. Or Gay. Or Troy. Or all of the above.

A letter dated August 12, 2011 from the county commissioners to Cheyenne mayor Rick Kaysen formalized what was evidently known some time ago by the City - the County made it known that they claimed a 5/9 interest in the land that was planned to be sold to Menards.

Hold the presses! How in God's green earth could the City have gotten to the point of turning over the keys without knowing of the cloud on the ownership of this land?

Who was supposed to have done the

title search on Section 28, where this land sits? Surely not the city attorney. He is incapable of such a task. Wholly incapable.

Did the City rely on the fact that land was transferred over a decade ago to the credit union that now sits along Converse Avenue north of Pershing and no one said "boo" about that sale? They couldn't have known at the time that the county provided \$5,000.00 of the \$9,000.00 originally paid for the land. Could they?

Or did the City believe that the County would sit silently on the sidelines while the City took in over \$5,000,000 from the sale of land that is maybe not only theirs to sell?

That August 12th letter, signed by the three current county commissioners, spelled out the past concerning the various transfers of ownership of the land in question.

It's not as though this ownership has no paper trail. Beginning with an original purchase back in the early 1930's, the paper trail shows a purchase of the land from Schipper and Block Company; a subsequent conveyance of that land to the United States the same year; and a reconveyance of the land not necessary for the VA Hospital by the United States to the City albeit with restrictions as to use. Initially, the uses were limited to park and/or golf course.

As time passed, the City was able to get restrictions waived and now, seemingly, they can use the former "recreational" land for about anything, including retail stores, car lots, bike shops, insurance offices, dentist offices or whatever use might generate the most money to the City.

Enter Menards. The once-small retail operation from northwestern Wisconsin has grown to a point

where cost of land isn't a factor in their decision-making as to where to locate a new store. A corporate spokesman told the Herald months ago that the store would not be a down-sized version like the local Sears, Penney's, Target, etc. That it would be the real McCoy - having the square footage they always build and product mix they sell. Lotsa land.

The City finally had a buyer on the line. On the hook, we would say in northern Wisconsin. And while the City won't receive close to what they thought the land was worth (based on an "appraisal"), they had a buyer with a check account that could handle the lower purchase price.

The council designated their limited authority - basically to control spending and the like - to the mayor and he did the best he could. And the best the City will likely get from anyone else in the foreseeable future.

Obviously, an organization (the City) that had to offer early retirement packages, buyouts, invoke layoffs and otherwise reduce their spending on employees, covets money from wherever it might come. At any price, the Menards purchase of this 24 acres of land would be "found money" for the cash-strapped City.

On the day an obedient City Council committee was to "approve" the sale at the price Menards dictated, the day-late-dollar-short city attorney at the last possible second presented the committee with his "what you talkin' 'bout, Willis?" impediment.

Unable to render a meaningful legal decision on his own, he presumably sought third party help as to what legal standing the County had in claiming a 5/9 stake in the land for sale. How much will that cost?

Interestingly, the Commissioners specifically stated in their letter that

they "do not want to interfere in or prevent in any way the economic development of the City and Laramie County."

Read the two page letter from the County Commissioners to the Mayor on the Cheyenne Herald website:
www.cheyenneherald.com

It is possible, although unlikely, that the City will agree that the County (which is all of us whereas the City is just some of us) does have an ownership interest and will split the proceeds 5/9 to 4/9. When pigs fly.

Or, will the City let the sale fall through rather than divide the proceeds? If that is their decision, it will be clear that this transaction was always about cash, not economic development. The City would then be admitting that unless they get all of the money, economic development be damned.

It is highly unlikely that the Menards legal department will conclude the purchase with a "cloud" on the title to the land. Even if the City held Menards harmless, the title would have to show the County's position that they hold 5/9 ownership in the land being conveyed. No one wants an unclear deed. Menards cannot possibly think Cheyenne is such a lucrative market and that the land is so choice as to accept that land with a dirty deed. Could they?

Did the County exercise their interest in the sale of land for the credit union about 15 years ago? Not being an attorney, just playing one on these pages, but that seems to be an important issue. If they were cut in for part of those sale proceeds, their position is clear and undeniable. If they did not demand any of that money or if the land was a gift and they were not a part of the decision process, maybe their claim isn't as solid as it first appeared. Stay tuned.

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