



Staff Report

File #: 20-520

Version: 1

Date: 1/11/2021

Item #: 3.3a.

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Kristin Retherford, Urban Development Director

SUBJECT:

Addendum to the Purchase and Sale Agreement with Tim Bush for three acres at the Salem Business Campus

Ward(s): Ward 3

Councilor(s): Councilor Phillips

Neighborhood(s): Southeast Mill Creek Association

Result Area(s): Strong and Diverse Economy

ISSUE:

Shall the City Council authorize the City Manager to execute the attached addendum to the Purchase and Sale Agreement with Tim Bush for three acres at the Salem Business Campus, extending the closing to June 1, 2021?

RECOMMENDATION:

Authorize the City Manager to execute the attached addendum to the Purchase and Sale Agreement with Tim Bush for 3 acres at the Salem Business Campus, extending the closing to June 1, 2021.

SUMMARY:

On September 28, 2020, Council authorized the City Manager to execute a Purchase and Sale Agreement (Agreement) and third addendum with Tim Bush. Tim Bush, owner of Tina's Touchups Inc., intends to purchase three acres at the Salem Business Campus for the expansion of his auto detailing business. Addendum #3 is needed to extend the due diligence and closing timelines from January 8, 2020 to June 1, 2021.

FACTS AND FINDINGS:

Extending the closing is needed to allow time for the City to complete a zone change for the property

as well as record a subdivision plat. Tim Bush intends to purchase Lot 1 (Attachment 1) at the Salem Business. Lot 1 will be created following the recording of the City's subdivision plat for the Salem Business Campus. The proposed addendum (Exhibit 2) extends the timeline for due diligence and closing from about 120 days following the executed Agreement to approximately 260 days (June 1, 2021). This includes amending the timeline related to financing, general conditions, and development conditions referenced in Section 2 of the Agreement as well as the closing timelines in Section 7.

BACKGROUND:

Extending the closing timeline does not have any anticipated budget impacts. Staff continue to receive development interest on the remaining available land at the Salem Business Campus (future Lot 6 and 8), totaling approximately 10 acres.

Annie Gorski
Economic Development Manager

Attachments:

1. Subdivision Phasing Map
2. PSA Addendum #3