



Legislation Details (With Text)

File #: 18-425 **Version:** 1
Type: Action Item **Status:** Agenda Ready
In control: Housing Authority of the City of Salem
On agenda: 9/24/2018 **Final action:** 9/24/2018
Title: Yaquina Hall Purchase and Development Amendments.

Ward(s): All Wards
Commissioners(s): All Commissioners
Neighborhood(s): All Neighborhoods

Sponsors:

Indexes:

Code sections:

Attachments: 1. Amendment No 1 to Purchase and Sale Agreement, 2. Amendment No 1 to Permit of Entry (Temporary Parking) Agreement, 3. Amendment No 1 to Short-Term Lease Agreement

Date	Ver.	Action By	Action	Result
9/24/2018	1	Housing Authority of the City of Salem	approved	Pass

TO: Chair and Housing Authority Commissioners

THROUGH: Steve Powers, Executive Director

FROM: Andrew Wilch, Administrator

SUBJECT:

Yaquina Hall Purchase and Development Amendments.

Ward(s): All Wards
Commissioners(s): All Commissioners
Neighborhood(s): All Neighborhoods

ISSUE:

Authorize the Executive Director to execute the Purchase and Sale Agreement amendments, Permit of Entry (Temporary Parking), and Short-term Lease Agreement amendments.

RECOMMENDATION:

Authorize the Executive Director to execute amendments to the Purchase and Sale Agreement, Permit of Entry (Temporary Parking), and Short-term Lease Agreement for Yaquina Hall.

SUMMARY AND BACKGROUND:

Yaquina Hall is a 70 year-old dormitory, located on the Old State Hospital North Campus. Yaquina is owned by the State of Oregon Department of Administrative Services (DAS). The Salem Housing Authority (SHA) is purchasing Yaquina Hall for affordable housing. An evaluation of the property and SHA's due diligence have determined the building is viable for affordable housing.

Through multiple grants, the Salem Housing Authority can convert Yaquina Hall into a residential facility with (52) one-bedroom apartments ranging from 420 - 650 SF in size. The project includes a community room, conference room, laundry facility, storage lockers, and an office center for building management and for providing services to the residents.

FACTS AND FINDINGS:

Purchase and Sale Agreement (Attachment 1)

A purchase agreement for Yaquina Hall was presented and approved by the Housing Commission on December 5, 2016. The initial total land cost was \$522,280 for 2.28 acres. The amendment reduces the final total land cost to \$391,600 for 1.78 acres, a savings of \$130,680. The reduction in acreage is due to an amended parking agreement eliminating the need to purchase additional land for parking.

Parking Easement. The Housing Authority and State will have a parking easement agreement included in the purchase price. The Easement will provide sufficient parking for the proposed development and complies with City Code.

The purchase agreement now includes a non-refundable Property Use Fee of \$100,000 to be immediately available to the State. At closing the Property Use Fee will be credited to the purchase price of the property.

Permit of Entry (Temporary Parking - Non-Exclusive) (Attachment 2).

Provides access during construction and planning

Short -Term Lease Agreement (Attachment 3)

In addition to the Permit of Entry for temporary parking, a short-term lease agreement for parking will remain in effect until either close of the purchase and sale agreement or termination of the purchase and sale agreement. (Attachment 3)

DAS is currently preparing engineering plans for public facilities required for the subdivision of the

North Campus. DAS estimates the engineering plan will be completed in January 2019. Once those plans are completed and approved by the City, the final plat may be approved and recorded. Upon recording of the final plat, the Housing Authority and State will proceed to closing on the Yaquina Hall property sale.

Andrew Wilch
Administrator

Attachments:

1. Amendment No. 1 to Purchase and Sale Agreement
2. Amendment No. 1 to Permit of Entry (Temporary Parking)
3. Amendment No. 1 to Short-Term Lease Agreement