



Staff Report

File #: 17-626

Version: 2

Date: 2/12/2018

Item #: 4.3a.

TO: Urban Renewal Agency Board

THROUGH: Steve Powers, Executive Director

FROM: Kristin Retherford, Director Urban Development Dept.

SUBJECT:

Purchase and Sale Agreement for acquisition of real property located at 2640 Portland Road NE.

Ward(s): 5

Board Member(s): Ausec

Neighborhood(s): Northgate

ISSUE:

Shall the Agency authorize the Executive Director to execute the attached Purchase and Sale Agreement for real property located at 2640 Portland Road NE, and authorize the use of \$1,215,000 in currently unallocated North Gateway Urban Renewal Area funds for the purchase?

RECOMMENDATION:

Authorize the Executive Director to execute the attached Purchase and Sale Agreement for real property located at 2640 Portland Road NE, and authorize the use of \$1,215,000 in currently unallocated North Gateway Urban Renewal Area funds for the purchase.

SUMMARY AND BACKGROUND:

The property located at 2640 Portland Road NE (Property) is 1.7 acres with a 4,843 square foot building which was most recently used for automobile sales. The Property is owned by Richard and Gayle Withnell (Seller).

The northern portion of the Property is the site of the proposed Pine Street NE extension related to the potential realignment of the Portland Road NE/Silverton Road NE intersection. The location of the intersection improvement and the Property are located within the North Gateway Urban Renewal Area and the Pine Street extension is listed as a project in the Urban Renewal Area Plan. When the Seller was completing due diligence to sell the Property, the Pine Street NE extension was discovered to be a hindrance to the marketability of the Property. The Seller contacted the City and requested that the potential right-of-way be purchased and removed from the Urban Renewal Plan or the entire

property to be purchased.

FACTS AND FINDINGS:

Staff and Seller have reached a tentative agreement on acquisition for the entire Property as detailed in the proposed Purchase and Sale Agreement (Agreement) (Attachment 1). The acquisition will be completed with funds from the North Gateway Urban Renewal Area. Key terms of the Agreement are listed below.

Price:	\$1,215,000
Earnest Money:	\$25,000
Environmental Site Assessment:	Agency to complete due diligence (Phase I/II ESA) at its cost; closing conditioned on satisfaction of any conditions
Closing Date:	Within 45 days of completion of environmental due diligence
Broker Fee:	Paid by Seller

Sufficient budget authority exists within the FY 2017-18 adopted budget for the North Gateway Urban Renewal Area to fund the purchase. The \$1,215,000 purchase price, is consistent with the appraisal of the Property commissioned by the Agency. The funds would come from \$8,044,250 currently allocated for future, unspecified projects within the North Gateway Urban Renewal Area Plan. The purchase is consistent with Section 501.C.1.s of the Plan.

Clint Dameron
Real Property Services Manager

Attachments:

1. Proposed Agreement