



Staff Report

File #: 20-430

Version: 1

Date: 11/9/2020

Item #: 3.3b.

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Kristin Retherford, Urban Development Director

SUBJECT:

Sale of 2 Acres at the Salem Business Campus to Discount Nursery Supplies, LLC

Ward(s): Ward 3

Councilor(s): Nanke

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 Purchase and Sale Agreement with Discount Nursery Supplies, LLC for two acres of City owned land at the Salem Business Campus totaling \$300,000?

RECOMMENDATION:

Authorize the City Manager to execute the attached Purchase and Sale Agreement with Discount Nursery Supplies, LLC for two acres of City owned land at the Salem Business Campus totaling \$300,000.

SUMMARY:

Representatives for Discount Nursery Supplies contacted the City regarding purchase of Lot 2 at the Salem Business Campus (Attachment 1). The company distributes plastic nursery pots. Currently the pots are manufactured in China. The company wants to move the manufacturing to the United States, to respond to customer preferences. They will manufacture, store, and distribute nursery pots at the Salem Business Campus. The company estimates they will create six jobs with this expansion at the Salem Business Campus. The site is shovel ready.

FACTS AND FINDINGS:

The use is consistent with the traded sector use requirement in the adopted CC&Rs. Terms of the Purchase and Sale Agreement and addendums (Attachment 2, 3, 4, & 5) include:

Size: Approximately 2 acres (a partition plat is required to create the legal lot)

Purchase price: \$300,000

Earnest money: \$5,000

Special conditions: Approval of a partition plat creating the 2- acre lot.

Closing: Following a 120-day investigation period and 30 days following the Buyer's receipt of needed City and County approvals for the project.

BACKGROUND:

The needed infrastructure is in place for this use.

Annie Gorski
Economic Development Manager

Attachments:

1. Proposed Subdivision Layout
2. Purchase and Sale Agreement
3. Addendum 1
4. Addendum 2
5. Vacant Land Disclosure Addendum