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City Council

Approval of a Resolution Authorizing Addendum No. 1 to the Real Estate Purchase and Sale Agreement between the City of Olympia and the Low Income Housing Institute (LIHI) Extending LIHI's Option to Purchase Property Located Adjacent to 318 State Avenue

Agenda Date: 9/15/2020
Agenda Item Number: 4.E
File Number: 20-0709

Type: resolution **Version:** 1 **Status:** Passed

Title

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Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the Resolution authorizing Addendum No. 1 to the Real Estate Purchase and Sale Agreement between the City of Olympia and the Low Income Housing Institute (LIHI) extending LIHI's option to purchase property located adjacent to 318 State Avenue.

Report

Issue:

Whether to extend the Low Income Housing Institute's option to purchase property located adjacent to 318 State Avenue for an additional five years.

Staff Contact:

Mark Barber, City Attorney, 360.753.8338

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

On April 14, 2015, the City and the Low Income Housing Institute (LIHI) entered into a Real Estate Purchase and Sale Agreement (the Agreement) for LIHI's purchase of 318 State Avenue (Billy Frank, Jr. Place). The terms of the Agreement included an option for LIHI to purchase the northerly portion

of the property located adjacent to 318 State Avenue (the Option Site) once environmental cleanup had taken place and a No Further Action Letter for the Option Site had been issued by the Washington State Department of Ecology (DOE). The option to purchase was exercisable at any time within five years of the closing date of the Agreement, which was October 14, 2015.

Groundwater monitoring wells currently remain on the Option Site, so DOE has not yet issued a No Further Action Letter. The City and LIHI wish to extend LIHI's option to purchase the Option Site for an additional five years.

Neighborhood/Community Interests (if known):

LIHI has proven its commitment to partnering with the City for low-income housing in the Olympia community.

Options:

1. Approve Addendum No. 1 to the Real Estate Purchase and Sale Agreement extending LIHI's option to purchase property located adjacent to 318 State Avenue for an additional five years.
2. Direct staff to negotiate different terms with LIHI for Addendum No. 1 to the Real Estate Purchase and Sale Agreement.
3. Do not extend LIHI's option to purchase the property.

Financial Impact:

None.

Attachments:

Resolution

Addendum No. 1

Purchase and Sale Agreement