



City Council

Approval of Resolution Authorizing Extension of the Option to Purchase Real Estate Owned by D.R. Horton and Ratifying Extension of the Option to Purchase Real Estate Owned by Wonderland Holdings, LLC

Agenda Date: 3/15/2016
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Title

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Recommended Action

Committee Recommendation:

Not referred to committee.

City Manager Recommendation:

Move to approve and authorize the Mayor to sign the Resolution Authorizing Extension of the Option to Purchase Real Estate Owned by D.R. Horton and Ratifying Extension of the Option to Purchase Real Estate Owned by Wonderland Holdings, LLC.

Report

Issue:

Whether to extend the Option to Purchase Real Estate Owned by D.R. Horton and to ratify of the extension of the Option to Purchase Real Estate Owned by Wonderland Holdings, LLC

Staff Contact:

Paul Simmons, Director, Olympia Parks, Arts and Recreation Department, 360.753.8462

Presenter:

None - Consent Calendar Item

Background and Analysis:

On July 21, 2015, the City Council approved an Option to Purchase Real Estate from SSHI, LLC dba D.R. Horton Seattle Division (the D.R. Horton Option) for the property commonly known as Trillium/Ashton Woods. Pursuant to the terms of the D.R. Horton Option, the option to purchase the Trillium/Ashton Woods property can be extended to June 30, 2017, with an additional option payment

of \$250,000 on or before March 30, 2016. The additional option payment would be credited toward the purchase price if the option is exercised by the City.

On August 12, 2015, the City Council approved an Option to Purchase Real Estate from Wonderland Holdings, LLC (the Wonderland Holdings Option) for property commonly known as Kaiser Heights. Pursuant to the terms of the Wonderland Holdings Option, on January 22, 2016, the City extended its option to purchase the Kaiser Heights property to October 1, 2016, with an additional option payment of \$150,000. The additional option payment will be credited toward the purchase price if the option is exercised by the City.

Neighborhood/Community Interests (if known):

In 2004, the citizens of Olympia voted in favor of creating a new 2% utility tax in order to generate funding for the acquisition, development, and maintenance of new parks. A goal of that ballot initiative was to increase the park system by 500 acres. Exercising these options is a significant step in achieving that goal.

In 2013, a citizen’s group known as the “LBA Woods Coalition” formed to encourage the City to acquire two large parcels in southeast Olympia commonly known as “The LBA Woods”. These properties have served for many years as “de-facto” open spaces for neighboring residential areas. The coalition wants the City to purchase both sites before they are developed and presented City Council with a petition containing over 5,000 signatures supporting the acquisition.

In 2015 the Parks, Arts & Recreation Department facilitated an extensive public process in an effort to update the Parks, Arts, & Recreation Plan. This process included a series of 8 neighborhood meetings with a total of 160 participants, an Olyspeaks online survey, a random sample survey that included 759 responses, and approximately 121 independently written email comments. The most dominant themes of this process were:

- Buy the LBA Woods property (the DR Horton and the Boulevard Road site);
- Acquire land in general while it is available; and
- Buy open space/natural areas - provide nearby access to nature

The random sample survey also highlighted that “trails” and “natural open space” were the highest priority for new projects.

In 2015, the citizens of Olympia once again voted in favor of creating a new Olympia Metropolitan Parks District. The goals of this ballot initiative were to create additional funding for parks acquisition, development, maintenance, and safety. Support for this funding measure demonstrates ongoing community support for parks acquisition and a willingness to pay additional taxes for that purpose.

In summary, extending the options to purchase both the DR Horton and Kaiser Heights property will preserve the ability for the City of Olympia to fully exercise the options and acquire the properties. This action is consistent with community support demonstrated through two ballot initiatives, an extensive public process, and also has received ongoing support from a large community stakeholder group.

Options:

1. Approve the Resolution Authorizing Extension of the Option to Purchase Real Estate Owned by D.R. Horton and Ratifying Extension of the Option to Purchase Real Estate Owned by Wonderland Holdings, LLC.
2. Do not approve the Resolution Authorizing Extension of the Option to Purchase Real Estate Owned by D.R. Horton and Ratifying Extension of the Option to Purchase Real Estate Owned by Wonderland Holdings, LLC.

Financial Impact:

The 2016 Capital Facilities Plan appropriated \$250,000 in Community Park Impact Fees and \$150,000 in Open Space Impact Fees to fund the option payments.