



City Council

Approval of Resolution Authorizing the Purchase of Real Estate Owned by James L. Zahn and Sandra L. Zahn

Agenda Date: 8/21/2018
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Type: resolution **Version:** 1 **Status:** Passed

Title

Approval of Resolution Authorizing the Purchase of Real Estate Owned by James L. Zahn and Sandra L. Zahn

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the resolution authorizing the City Manager to execute all documents necessary to acquire 83 acres of real estate from James L. Zahn and Sandra L. Zahn.

Report

Issue:

Whether to approve the purchase of real estate from James L. Zahn and Sandra L. Zahn for a future park site.

Staff Contact:

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Presenter(s):

Jonathon Turlove, Associate Director, Parks, Arts and Recreation, 360.753.8068

Background and Analysis:

James L. Zahn and Sandra L. Zahn (Sellers) own a 83.01-acre property located at 3323 Yelm Highway SE, Assessor Parcel No. 09330005000, 09330005001, and 09330008002 (see attached Property Location Map).

Should the Council approve the purchase of the property, currently owned by the Zahn family and leased to Spooner Berry Farms, the 83 acres would be preserved for future public use as a community park. The community park could include an array of recreational amenities, including soccer fields. The purchase price is \$10.7 million. Staff has concluded negotiations with the Seller,

and has prepared the Real Estate Purchase and Sale Agreement attached to this staff report. The purchase price is \$10.7 million.

The community identified the acquisition of a large, community park site for soccer fields as a high priority in the 2010 and 2016 Parks, Arts and Recreation Plans. In the City's 2014 Community Park Suitability Assessment, the Yelm Highway parcel stood out as the preferred site to purchase for a new community park. The assessment identified and evaluated all the remaining undeveloped parcels large enough for a community park within the City and its Urban Growth Area.

There are no formal plans in place yet for the future park. Should the property be purchased, the City would begin a planning process in 2019 and would seek the community's input as part of the process. Park development would likely be done in phases, with the first phase tentatively scheduled for 2024.

A property the size of the proposed Yelm Highway site could accommodate a number of full-size soccer fields and associated support facilities. It could also have room for additional community park amenities: from community gardens and trails to sports fields and courts as an example.

For many years, the Zahn's have leased the property to Spooner Berry Farms who used this property as a U-Pick strawberry farm and berry stand. Spooner's operate multiple berry farms in the area. If the City purchases the property, the City would be interested developing a relationship with them and in continuing to lease to Spooner Farms prior to park development.

The proposed purchase would also move the City closer to the community's 2004 goal of increasing the City park system by 500 acres. Should this property be acquired, the City will have acquired 440 acres since 2004 towards the initial goal and would also be using funds raised from the Voted Utility Tax to pay for the acquisition.

Neighborhood/Community Interests (if known):

Park land acquisition has been a high priority in Olympia for many years as demonstrated by voter support of tax measures for park land acquisition. Acquisition of a large, community park site for soccer fields was identified as a high priority in the 2010 and 2016 Parks, Arts and Recreation Plans.

Options:

1. Approve the resolution authorizing the City Manager to execute all documents necessary to acquire 83 acres of real estate from James L. Zahn and Sandra L. Zahn.
2. Do not authorize the purchase of real estate from James L. Zahn and Sandra L. Zahn.
3. Direct staff to seek other options to satisfy the City's need for community park acreage.

Financial Impact:

The acquisition would be paid for in installments using utility tax funds dedicated for park land acquisition (both cash reserves and payments on a future bond sale). \$4 million would be paid in 2018, \$4 million in 2019, \$1 million in 2020, \$1 million in 2021, and \$700,000 in 2022.

Attachments:

Resolution
Purchase & Sale Agreement

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Property Location Map