



**TO:** T.C. Broadnax, City Manager  
**FROM:** Jennifer S. Hines, Assistant Division Manager, Public Works  
Ricardo Noguera, Director, Community and Economic Development  
**COPY:** City Council and City Clerk  
**SUBJECT:** **Acquisition of 928 Pacific Ave – January 3, 2017**  
**DATE:** December 1, 2016

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**SUMMARY:**

Community and Economic Development Department requests City Council to authorize the acquisition of one parcel located at 928 Pacific Avenue from Big Rooster Investments, LLC, a Washington limited liability company, in the amount of \$550,000, plus closing costs.

**STRATEGIC POLICY PRIORITY:**

- Assure outstanding stewardship of the natural and built environment.

Approval of this acquisition will contribute to the City’s ability to market the property for redevelopment within the Downtown Core.

**BACKGROUND:**

928 Pacific Avenue is a 6,044 square foot retail unit on the ground floor of North Park Plaza. It is one of three retail units in the building. The property has been vacant since the closing of The Lochs in 2013. Prior to occupancy by The Lochs, the property was occupied by Hell’s Kitchen.

In July, 2015, the City was contacted by a local real estate broker about a possible City acquisition of the property. The current owner purchased the property through a foreclosure in May, 2015. In anticipation of potential future development for North Park Plaza, staff entered into negotiations. A Purchase and Sale Agreement was executed in September, 2016. The City already owns one of the other retail units in this building, as well as parking and air rights.

**ISSUE:**

This property is located in the Downtown Core, has been vacant for several years and would provide additional support for potential redevelopment of the building.

**ALTERNATIVES:**

The City could choose to not acquire the property. If this occurs, then the unit could remain vacant and marketing for redevelopment of the building would be more difficult.

**RECOMMENDATION:**

The Community and Economic Development Department recommends Council approve the City’s acquisition of the subject parcel.



**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1195-UDAG, Urban Dev Action Grant Fund	852400	5621000	\$550,000 + closing costs
<b>TOTAL</b>			<b>\$550,000 + closing costs</b>

\* General Fund: Include Department

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** \$550,000 + closing costs

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** Yes