



RESOLUTION NO. 39468

1 A RESOLUTION relating to community and economic development; ratifying the
2 execution of an Agreement Regarding the Purchase and Sale and
3 Development of Real Property and authorizing the execution of Amendment
4 No. 1 to the same with North America Asset Management Group, LLC, to
5 provide performance dates and development parameters for City property at
6 the proximate location of South 21st to 23rd Streets and Jefferson Avenue
7 to Tacoma Avenue.

8 WHEREAS, on August 18, 2015, the City entered into a Purchase and Sale
9 and Development agreement (“PSA”) with North America Asset Management
10 Group, LLC (“NAAM”), for the sale of City real property, subject to City Council
11 ratification, at the proximate location of South 21st to 23rd Streets and Jefferson
12 Avenue to Tacoma Avenue (“Property”), and

13 WHEREAS the City acquired the Property parcels from 1998-2002, using
14 approximately \$4.1 million in proceeds from a 1997 sale of tax-exempt bonds
15 (1997B), and the Property secures a \$4.2 million General Fund loan made to the
16 Police Department in 2005 for capital construction, and

17 WHEREAS, in addition to the foregoing, a loan in the principal amount of
18 \$130,000, from the Open Space Fund, was to be repaid, with interest, at the time of
19 the sale of the Property, and

20 WHEREAS it has been determined that the Property is not necessary for
21 City purposes, and

22 WHEREAS, in May 2013, the City issued a Request for Proposal (“RFP”) for
23 the sale and development of the Property, but did not receive any responsive
24 proposals, and
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1 WHEREAS staff continued to market the Property to a variety of potential
2 investors/developers based on the response requirements of the original RFP,
3 including project description, background and qualifications of the development
4 team, design concept, proposed mix of uses, financing, and development timeline,
5 and

6 WHEREAS, in early 2015, the City received two proposals, and a proposal
7 review team met and recommended the selection of NAAM, and

8 WHEREAS the proposed development will include a minimum of
9 570,000 square feet of development to be constructed in two phases, as follows:
10 Phase 1 must include, at a minimum, 180 residential units, 200,000 square feet of
11 retail space, 30,000 square feet of commercial space, and 380 parking stalls; and
12 Phase 2 must include, at a minimum, 180 residential units, a minimum of
13 30,000 square feet of commercial space, with a target of 60,000 square feet of
14 commercial space, and 100 parking stalls, and

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17 WHEREAS the proposed PSA provides performance dates and development
18 parameters, and requires City Council approval prior to closing, and

19 WHEREAS NAAM has met a sufficient number of the requirements set
20 forth in the PSA to seek Council approval, has waived feasibility, and has paid a
21 total of \$875,000 in a non-refundable deposit, and

22
23 WHEREAS the purchase price of the Property is \$3,451,228, based on a
24 March 2015 appraisal, and

25 WHEREAS, in order to avoid delay in the developer's ability to secure
26 additional investors and secure firm commitments from tenants, staff is



recommending approval of the proposed PSA and Amendment No. 1; Now,

1 Therefore,

2 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

3 That the City Council ratifies execution of the Purchase and Sale and
4 Development Agreement (“PSA”) with North America Asset Management Group,
5 LLC, and the proper officers of the City are hereby authorized to execute
6 Amendment No. 1 to the PSA to provide performance dates and development
7 parameters for City property at the proximate location of South 21st to 23rd Streets
8 and Jefferson Avenue to Tacoma Avenue, said PSA and amendment to be
9 substantially in the form of the documents on file in the office of the City Clerk.
10
11

12 Adopted _____
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14 _____
15 Mayor

16 Attest:
17 _____
18 City Clerk

19 Approved as to form:
20 _____
21 Deputy City Attorney
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