



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2009-8-26(6)

DATE: August 26, 2009  
TO: Board of Commissioners  
FROM: Michael Mirra, Executive Director  
RE: Lot Purchase & Sale Agreement, Parcels No. 2025140140 & 2025140150

### **Background**

In early 2009, a property owner asked if THA would be interested in buying his two (2) 3000 square foot parcels located adjacent to THA's 2500 Hillside Terrace property. Staff has assessed these parcels and determined they would nicely enhance the larger 2500 Hillside Terrace Hope VI revitalization project. This acquisition opportunity would allow for the addition of (6) new apartment units or homeownership town-homes. The current zoning of the parcels is downtown residential (DR) which allows multi-family development.

In May 2009, staff enlisted GVA Kidder Mathews to conduct a current market appraisal. The appraisal indicates an "As-Is" market value of \$62,500 per parcel. This is a combined value of \$125,000. With this, staff conducted financial analysis which indicates at this land value the parcels would equal approximately 10% of the value for developing (6) new units. This ratio falls well within industry standards for land versus vertical development cost ratios.

### **Recommendation**

Approve Resolution 2009-08-26(6) authorizing the Executive Director to negotiate and enter into a Purchase and Sale Agreement Not-to-Exceed \$125,000 with Gig Harbor Family Trust and Equity Trust Company for the purchase of two parcels located at 2546 South G Street and 2548 South G Street in Tacoma, WA.



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## RESOLUTION 2009-8-26(6)

### Lot Purchase & Sale Agreement Parcel No's 2025140140 and 2025140150

**WHEREAS**, the owner of two (2) 3000 square foot vacant parcels located adjacent to the Housing Authorities 2500 Hillside Terrace property has offered the lots for sale;

**WHEREAS**, the Housing Authority has conducted preliminary due-diligence and determined the acquisition of the two parcels would complement the future revitalization of 2500 Hillside Terrace apartments by providing space for additional units.

**WHEREAS**, the Housing Authority has commissioned an appraisal of the parcels which indicated a current market "As-Is" value of \$62,500 for each parcel.

*Resolved by the Board of Commissioners of the Housing Authority of the City Of Tacoma, Washington, that:*

The Executive Director has the authority to negotiate and enter into a Purchase and Sale Agreement Not-to-Exceed \$125,000 with Gig Harbor Family Trust and Equity Trust Company for the purchase of two parcels located at 2546 South G Street and 2548 South G Street in Tacoma, WA.

**Approved:** August, 26 2009

Ken Miller, Chairman