



TACOMA HOUSING AUTHORITY

RESOLUTION 2015-4-22 (4)

Date: April 15, 2015
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Key Bank Purchase and Sale Agreement

Background

The Key Bank branch at 1120 S. 11th Street is closing. The bank will be selling the property. Key Bank has proposed to sell the property to THA. The property includes a building of 10,582 square feet built in 1950. There is approximately 26,000 Square Feet of land. It acknowledges that its closure of the bank is a blow to the neighborhood. It believes that selling to THA, with its community mission, would mitigate the effects of the closure. Key Bank is interested in maintaining an ATM at the property. Key Bank would like to have a transaction completed by June.

According to information on the Pierce County Assessor's office, the Key Bank property has an assessed value of \$1,475,000 or \$57 per square foot. Of this, \$368,000 of the value is attributed to the land. The main value to the THA is the land. The building is not apparently easily adapted to other uses. It is also old and appears to have mold and asbestos in different places. . The initial review of other sales or pending sales in the area show widely varying prices. Key Bank is doing its own evaluation of the property's value.

THA's acquisition of the property could serve two purposes. It would strengthen THA's efforts to spur development on the Hilltop. Also, developing the property in tandem with THA's development of the Hilltop Loft's project nearby offers design and financing advantages.

Recommendation

Approve Resolution No. 2015-4-22 (4) authorizing the Executive Director to negotiate, and if those negotiations, are successful to execute an agreement to purchase the Key Bank Property located at 1120 S. 11th Street under the terms and conditions discussed in Executive Session.



TACOMA HOUSING AUTHORITY

RESOLUTION 2015-4-22 (4) Key Bank Purchase Agreement

A RESOLUTION of the Board of Commissioners of the Housing Authority of the City of Tacoma

Whereas, Key Bank is closing its branch bank at 1120 South 11th Street, on Tacoma's Hilltop.

Whereas, Key Bank has asked whether THA is interested in purchasing the property.

Whereas, THA's acquisition of the Key Bank Property would further THA's ability to spur the development of the Hilltop and improve the development potential and financial performance of THA's proposed Hilltop Lofts project nearby.

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:

The Executive Director is authorized to negotiate and, if those negotiations are successful, to execute an agreement to purchase the Key Bank property at 1120 S. 11th Street in Tacoma's Hilltop on terms and conditions consistent with those discussed during executive session.

Approved: April 22, 2015


Stanley Rumbaugh, Chair