



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-08-24(4)

Date: August 24, 2016
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Purchase and Sale Agreement for the Klatt Building

Purpose

The purpose of this memo is to request approval to enter into a purchase and sales agreement for THA's purchase of a commercial property located in the Hilltop that will be used to house the Center for Strong Families and that has redevelopment potential for future Tacoma Housing Authority (THA) projects.

Background

THA staff identified a property at 1307 South 11th Street that may be of interest to the Tacoma Housing Authority. It is known as the Klatt Medical Building. This property is close to THA's main office and is 2/10th of a mile from the light rail planned along MLK.



This property, in the short term, might be a suitable location for The Center for Strong Families. This Center for Strong Families Outreach is the lead agency for this initiative and THA is one of its partners. Additional partners include Urban League and Bates Technical College. Families living in THA properties will be one of the primary targets for services that include workforce development, one-on-one financial coaching, asset accumulation and parenting resources.

THA had initially thought that the former KeyBank building, which THA now owns, would be a suitable temporary site for this combination of the Center's programs; however, the tenant finish needed to make the space useable and functional is projected to be \$1M dollars. The use of the former KeyBank building by the Center for Strong Families was intended to be temporary. The KeyBank building will be redeveloped as part of the Hilltop Redevelopment Strategy for THA owned properties. It does not make sense to invest \$1M into a facility that will be redeveloped.

In addition to its use as a temporary site for the Center, the Klatt Medical Building site might also be a reasonable investment for THA. The building is 5,396 square feet and has 19,500 square feet of land. It has an exterior elevator and surface parking. The zoning allows the development of an eight (8)-story building, should THA want to redevelop the property in the future.

Recommendation

Authorize THA's Executive Director to enter into negotiations to purchase a property located at 1307 South 11th Street, Tacoma, WA. The purchase and sales agreement shall state that the purchase is contingent upon, among other terms, final approval by the THA Board.



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-08-24(4) (Purchase and Sale Agreement for the Klatt Building)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma authorizing the THA Executive Director to enter into negotiations to purchase a property located at 1307 South 11th Street, Tacoma, WA.

WHEREAS, THA owns and manages affordable rental housing in Tacoma; and

WHEREAS, THA is interested in acquiring property in the Hilltop to meet short and long term financial and community goals; and

WHEREAS, THA will be a partner agency in the Center for Strong Families; and

WHEREAS, THA believes time is of the essence and that support of the Center for Strong Families will strengthen the Hilltop Neighborhood and provide needed services to THA residents; and

WHEREAS, There is potential that future development in the Hilltop Neighborhood will impact affordably priced rental housing in the future and acquisition of this property will preserve a future redevelopment project; now, therefore, be it

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

Authorizing THA's Executive Director to negotiate, and if those negotiations are successful to execute a purchase and sale agreement for THA's purchase of the Klatt Medical Building consistent with the terms discussed during closed session, including a contingency that the final purchase is subject to final approval by the THA board.

Approved: August 24, 2016



Dr. Arthur C. Banks, Chair