

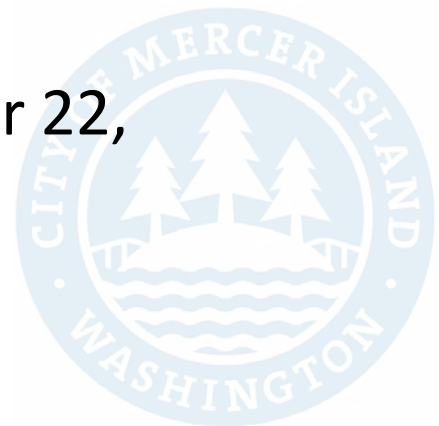


AB 5644

**Authorization to
Complete the Acquisition
of the Tully's Property**

Background

- The City entered into a purchase and sale agreement (PSA) on or about June 5, 2018 to acquire the Tully's property for \$2,000,000, as the development site of the City's proposed commuter parking & mix use project.
- The original due diligence period was extended multiple times to allow time for the City to negotiate and enter into an environmental clean-up cost reimbursement agreement with BP/ARCO.
- City waived all due diligence inspection contingencies on November 22, 2019 and agreed to proceed with the acquisition of the property.



Closing

- Under the amended PSA, closing must be completed by December 31, 2019.
- Purchase price remains \$2,000,000.
- Funds from REET 1 have already been appropriated, and earnest money of \$150,000 has already been deposited into escrow.
- Closing date is currently scheduled for December 27, 2019.



Authorization

Staff is seeking explicit authorization from the City Council for the City Manager to sign all necessary closing documents on behalf of the City.

Motion

Authorize the Interim City Manager, or the Interim City Manager's designee if she is unavailable, to execute the closing documents to complete the City's acquisition of the real property at 7810 SE 27th Street, Mercer Island, WA.



Thank You

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