

TO: City Council
FROM: Troy Niemeyer, Finance Director
DATE: September 6, 2022
SUBJECT: Homes First Purchase and Sale Agreement

1) Recommended Action:

Authorize the Mayor to sign the purchase and sale agreement with Homes First and execute all necessary documents to carry out the transfer.

2) Background:

Since August 2021 the City has been working with LOTT to purchase the house located at 6541 Henderson Blvd SE, with the intent to donate it to Homes First to increase the supply of affordable housing in Tumwater. At the Council meeting on October 19, 2021, the Council adopted the Real Property Special Disposition Process Policy and an Interlocal agreement with LOTT to pave the way to purchase the house. On December 7, 2021, Council approved the purchase and sale agreement between the City and LOTT. LOTT adjusted the property boundary so it could keep a needed portion of the land. The purchase from LOTT is complete and the Council has declared the property as surplus. The final step in the process is to execute this purchase and sale agreement, transferring the house to Homes First to increase the supply of affordable housing, as allowed by the City's Real Property Special Disposition Process and state law (RCW 33.39.033).

3) Policy Support:

Affordable housing supports the health, safety and welfare of the residents of the City of Tumwater. This policy ties directly to the City of Tumwater's 2021-2026 strategic priority to "build a community recognized for quality, compassion and humanity"; "Work with government, non-profit, and private partners to develop and implement a performance-based plan for affordable housing and to address homelessness."

4) Alternatives:

☐ Do not authorize the Mayor to sign the purchase and sale agreement.

5) Fiscal Notes:

The purchase price of the house was \$200,000 plus closing costs. It was paid with one-time funds from the federal ARPA grant. We will donate the house to Homes First for \$0.00 and we will pay for closing costs.

6) Attachments:

- A. Tumwater Property Transfer Agreement.
- B. Tumwater Granting Deed