Cover Memorandum/Staff Report

File #: 18-0403 CRA **Agenda Date:** 7/9/2019 **Item #:**

TO: **CRA Board of Commissioners**
FROM: **Tara Toto, Project Manager**
THROUGH: **Renee A. Jadusingh, CRA Executive Director**
DATE: **JULY 9, 2019**

TERMINATE PURCHASE & SALE - 106 NW 10TH AVENUE & VACANT NW 3RD STREET

Recommended Action:

Ratify the termination of the Agreement for Purchase and Sale with Southern Engineering & Construction, LLC for the CRA purchase of 106 NW 10th Avenue and Vacant NW 3rd Street and authorize the release of the escrow deposit in the amount of $1,000.00.

Background:

On May 14, 2019, the CRA Board approved Resolution 2019-08 and the Agreement for Purchase and Sale with Southern Engineering & Construction LLC for the CRA purchase of two (2) separate properties, 106 NW 10th Avenue and NW 3rd Street, with a total purchase price of $180,000.00 and an estimated closing date of July 23, 2019. During the 45-day Inspection Period, the CRA discovered the following:

106 NW 10th Avenue: Property has extensive title issues that the CRA has determined to be unsuitable.

Vacant NW 3rd Street: Property requires certain entitlement approvals, as a result, the CRA has determined the property to be unsuitable in its current state.

Consequently, the CRA has determined that it is not financially feasible, nor in the best interest of the CRA to purchase either property. Thus, the Purchase & Sale Agreement must be formally terminated by the CRA Board via Resolution No. 2019-10 as drafted by the attached Termination of Contract and Release of Escrow Deposit. Considering the inspection period ends on July 8, 2019, the CRA General Counsel has sent the required notification to the property owner per the Purchase & Sale Agreement terms.

The CRA now seeks that the CRA Board to ratify the notice of termination issued on July 2, 2019.

Attachments: Exhibit A - Location Map; Exhibit B - Termination Letter

CRA Attorney Review:

The CRA General Counsel sent the required Notice of Termination.

Funding Source/Financial Impact:

N/A

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