

City of Richland Resolution No. 100-20 temporarily designates virtual locations for all municipal meetings. This meeting will be held remotely via Zoom. Members of the public may attend this meeting by selecting the Zoom link or by calling the phone numbers provided.



Agenda
Economic Development Committee Meeting
Monday, July 26, 2021
Join the Zoom meeting [here](#)
Public Telephone Access: (206) 337-9723 or (253) 215-8782
Meeting ID No. 982-9303-9442

Committee Members: Chair Bricker and Members Chacon, Holmberg, Hughes, Knight, Newman, Richardson and Spencer

Liaisons: Council Liaison Christensen
Staff Liaison: Development Services Director Jensen

Regular Meeting - 4:00 p.m.

Call to Order/Attendance:

Approval of Agenda: (Approved by Motion)

Approval of Minutes: (Approved by Motion)

June 28, 2021 Meeting Minutes

Public Comments: Please limit public comments to 3 minutes.

Business: (30 Minutes)

- I. Purchase and Sale Agreement - Matson Properties, LLC
 - Darin Arrasmith, Planner
2. Purchase and Sale Agreement - Brad Tapani
 - Darin Arrasmith, Planner
3. Establishing New Pricing for City-owned Properties in the Horn Rapids Business Center, Horn Rapids Commercial Plaza and the Horn Rapids Industrial Park, and Implementing a biennial review process.
 - Darin Arrasmith, Planner

Presentations: (10 Minutes)

Announcements: (3 Minutes)

- I. Live @ 5

Adjournment

The next Economic Development Committee Meeting is August 23, 2021

Richland City Hall is ADA accessible. Requests for sign interpreters, audio equipment, and/or other special services must be received 48 hours prior to the meeting by calling the City Clerk's Office at 942-7389.



ECONOMIC DEVELOPMENT COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 7/26/2021

Agenda Category: Approval of Minutes

Prepared By: Kerwin Jensen, Development Services Director

Subject:
June 28, 2021 Meeting Minutes

Department:
Development Services

Recommended Motion:
Approve the minutes of the Economic Development Committee meeting held on June 28, 2021.

Summary:

Fiscal Impact: Core Focus Area I - Promote Financial Stability & Operational Effectiveness

Attachments:
1. 2021.06.28 Economic Development Committee Meeting Minutes DRAFT



MINUTES

ECONOMIC DEVELOPMENT COMMITTEE

MONDAY, JUNE 28, 2021 – 4:00 P.M.
VIA ZOOM

CALL TO ORDER

Chairman Bricker called the meeting to order at 4:02 pm.

ATTENDANCE

Chairman Bricker, Committee Members Knight, Spencer, and Richardson.

Member Holmberg requested to be excused.

Also present were Council Liaison Alvarez, Development Services Director Jensen, Economic Development Manager Joe Jacobs, Planner Darin Arrasmith, Marketing Specialist Wallner and Administrative Assistant Follett.

APPROVAL OF AGENDA

Chairman Bricker presented the agenda for approval. There were no changes or additions.

COMMITTEE MEMBER RICHARDSON MOVED AND COMMITTEE MEMBER SPENCER SECONDED THE MOTION TO APPROVE THE AGENDA AS PRESENTED. MOTION PASSED 4-0.

APPROVAL OF MINUTES

Chairman Bricker introduced the meeting minutes from May 24, 2021. There was no discussion.

MEMBER SPENCER MOVED AND MEMBER RICHARDSON SECONDED THE MOTION TO APPROVE THE MEETING MINUTES OF MAY 24, 2021. MOTION PASSED 4-0.

PUBLIC COMMENTS

Chairman Bricker opened the public comment period at 4:05 p.m. Having no one request time to address the committee, Chairman Bricker closed the public comment period at 4:05 p.m.

ITEMS OF BUSINESS

1. Proposed Purchase of Property – Logan Properties

Chairman Bricker recognized Planner Arrasmith to give the staff report. Mr. Arrasmith briefed committee members on the proposed purchase and use of the 5-acre parcel. He

noted the requirement to build and the reversionary clause. Committee members asked questions about the property and proposed use. The applicant was not present.

COMMITTEE MEMBER KNIGHT MOVED AND MEMBER RICHARDSON SECONDED THE MOTION TO RECOMMEND COUNCIL APPROVE THE PURCHASE AND SALE AGREEMENT WITH LOGAN PROPERTIES, LLC. MOTION PASSED 4-0.

2. Proposed Purchase and Sale of 840 Northgate Drive

Chairman Bricker recognized Economic Development Manager Jacobs to present the staff report. Mr. Jacobs outlined the proposal from Columbia Basin College. He reminded committee members about the deed restrictions attached to the property and the costs involved to remediate and update the current building. At the conclusion of his presentation committee members asked questions and deliberated on the information presented.

MEMBER SPENCER MOVED AND MEMBER KNIGHT SECONDED THE MOTION TO RECOMMEND COUNCIL APPROVE THE PURCHASE AND SALE AGREEMENT WITH COLUMBIA BASIN COLLEGE FOR 840 NORHTGATE DRIVE. MOTION PASSED 4-0.

ANNOUNCEMENTS

Member Richardson urged everyone to stay cool in this heatwave.

ADJOURNMENT

Chairman Bricker adjourned the meeting at 4:21 p.m.

Prepared by:

Lynne Follett, Administrative Assistant II

Reviewed by:

Joe Jacobs, Economic Development Manager

Approved by:

Brad Bricker, Chairman



ECONOMIC DEVELOPMENT COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 7/26/2021

Agenda Category: Business

Prepared By: Darin Arrasmith, Planner

Subject:

Purchase and Sale Agreement - Matson Properties, LLC

Department:

Development Services

Recommended Motion:

That the Economic Development Committee make a positive recommendation to the Richland City Council to authorize the City Manager to enter into a Purchase and Sale Agreement with Matson Development, LLC for the purchase of 5.00 acres in the Horn Rapids Business Center.

Summary:

Matson Development, LLC is proposing to purchase a 5.00 acre property in the Horn Rapids Business Center, located along the south side of Logan Street for the initial development of approximately 25,000 square feet of a light industrial building with warehousing and office space, plus additional buildings in a later phase.

The purchase price is \$2.35 per square foot for the 5.00 acre property, amounting to estimated gross proceeds of \$511,830. The purchase price is consistent with the City of Richland's Resolution No. 158-18, which established pricing within the Horn Rapids Business Center in November, 2018.

The City will retain a repurchase right if Matson Development, LLC has not submitted an application for approval of building plans to the City within eight (8) months of closing, and if construction of buildings has not commenced within eighteen (18) months of closing.

Fiscal Impact:

The purchase price is \$2.35 per square foot for the 5.00-acre lot - amounting to estimated gross proceeds of \$511,830. A portion of the proceeds will be distributed to the City's Utility Fund to recover costs for construction of HRBC utilities in 1988, per the following:

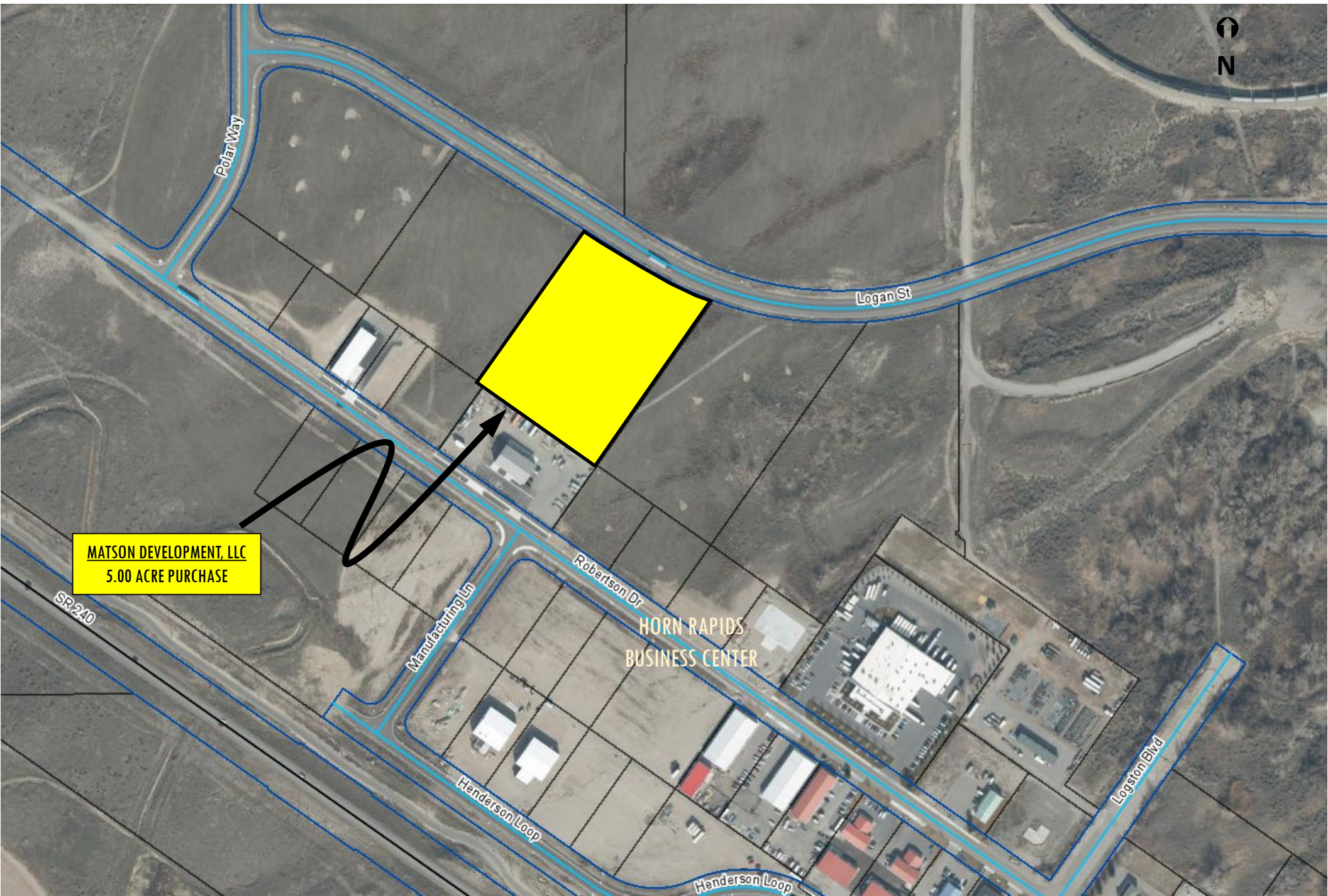
-Electric Fund (\$0.044 per square foot): \$9,583.20

-Water Fund (\$0.079 per square foot): \$17,206.20

-Sewer Fund (\$0.029 per square foot): \$6,316.20

Attachments:

1. Site Map
2. LoganRd_Letter-of-Intent



MATSON DEVELOPMENT, LLC
5.00 ACRE PURCHASE

**HORN RAPIDS
BUSINESS CENTER**

Polar Way

Logan St

SR-240

Manufacturing Ln

Robertson Dr

Henderson Loop

Henderson Loop

Logston Blvd

COMMERCIAL PURCHASE LETTER OF INTENT

Effective Date: _____

RE: Intent to Purchase Commercial Property

This commercial purchase letter of intent (the "Letter of Intent") represents the basic terms for an agreement between the Buyer and Seller. After this Letter of Intent has been made, a formal agreement may be constructed to the benefit of the Parties involved.

I. The Buyer: _____ (the "Buyer").

II. The Seller: _____ (the "Seller").

III. Property Address: _____ (the "Property").

Additional Description: _____.

IV. Purchase Price: The Buyer shall purchase the Property for _____ Dollars (\$_____) (the "Purchase Price").

V. Purchase Terms: Payment of the Purchase Price shall be made in the following manner:

_____.

VI. Bank Financing: The Buyer has made it known that their ability to purchase the Property is
☐ conditional ☐ not conditional on their ability to obtain financing.

If the purchase is conditional on financing, it shall be under the following terms:

_____.

VII. Closing: The Closing shall occur on _____, 20____, or earlier by mutual agreement (the "Closing"). Any extension to the Closing must be agreed upon in writing by the Buyer and Seller.

VIII. Closing Costs: All costs associated with the Closing shall be the responsibility of
☐ the Buyer ☐ the Seller ☐ both Parties bearing their own expenses.

IX. Possession: Possession of the Property shall be given on _____, 20____, or earlier by mutual agreement (the "Possession"). Any extension to the Possession must be agreed upon in writing by the Buyer and Seller.

X. Property Inspection: After a binding Purchase Agreement has been made, the Buyer shall hold the right to have the condition of the Property inspected by a person of their choosing. The inspection shall occur no later than ____ days after a Purchase Agreement has been made.

After the Property has been inspected, the Buyer shall have an additional ____ days to report any new disclosures to the Seller in writing. If the Buyer and Seller cannot reach a mutual agreement within ____ days after delivery of the written disclosures, the Purchase Agreement shall be terminated with any earnest money being returned to the Buyer.

XI. Binding Effect: This Letter of Intent shall be considered: (Initial and Check)

____ - ☐ **Binding** – Therefore, the Parties acknowledge that remedies at law will be inadequate for any breach of this Letter of Intent and consequently agree that this Letter of Intent shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights at law or in equity of the Parties under this Letter of Intent.

____ - ☐ **Non-Binding** – Therefore, the Parties acknowledge that this Letter of Intent is not enforceable by any Party. The terms outlined herein are solely for the purposes of reaching an agreement in the future, of which the Buyer and Seller are not bound.

XII. Standstill Agreement: Following the execution of this Letter of Intent, and until the Closing, the Seller shall not engage in negotiations for the sale of the Property with any other party unless either the Buyer and Seller agree in writing to terminate this Letter of Intent, or the Buyer and Seller fail to sign a Purchase Agreement by _____, 20____.

XIII. Additional Provisions: _____

_____.

XIV. Currency: All mentions of currency or the usage of the “\$” icon shall be known as referring to the US Dollar.

XV. Governing Law: This Letter of Intent shall be governed under the laws of the State of _____.

XVI. Acceptance: If you are agreeable to the aforementioned terms, please sign and return a duplicate copy of this Letter of Intent by no later than _____, 20____.

BUYER

Buyer's Signature _____ Date _____

Print Name _____

SELLER

Seller's Signature _____ Date _____

Print Name _____



ECONOMIC DEVELOPMENT COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 7/26/2021

Agenda Category: Business

Prepared By: Darin Arrasmith, Planner

Subject:

Purchase and Sale Agreement - Brad Tapani

Department:

Development Services

Recommended Motion:

That the Economic Development Committee make a positive recommendation to the Richland City Council to authorize the City Manager to enter into a Purchase and Sale Agreement with Brad Tapani for the purchase of 8.09 acres in the Horn Rapids Business Center.

Summary:

Brad Tapani is proposing to purchase a 8.09 acre property in the Horn Rapids Business Center, located along the south side of Logan Street for the development of light industrial buildings with warehousing and office space.

The purchase price is \$2.35 per square foot for the 8.09-acre property, amounting to estimated gross proceeds of \$828,141. The purchase price is consistent with the City of Richland's Resolution No. 158-18, which established pricing within the Horn Rapids Business Center in November, 2018.

The City will retain a repurchase right if Brad Tapani has not submitted an application for approval of building plans to the City within eight (8) months of closing, and if construction of buildings has not commenced within eighteen (18) months of closing.

Fiscal Impact:

The purchase price is \$2.35 per square foot for the 8.09-acre lot - amounting to estimated gross proceeds of \$828,141. A portion of the proceeds will be distributed to the City's Utility Fund to recover costs for construction of HRBC utilities in 1988, per the following:

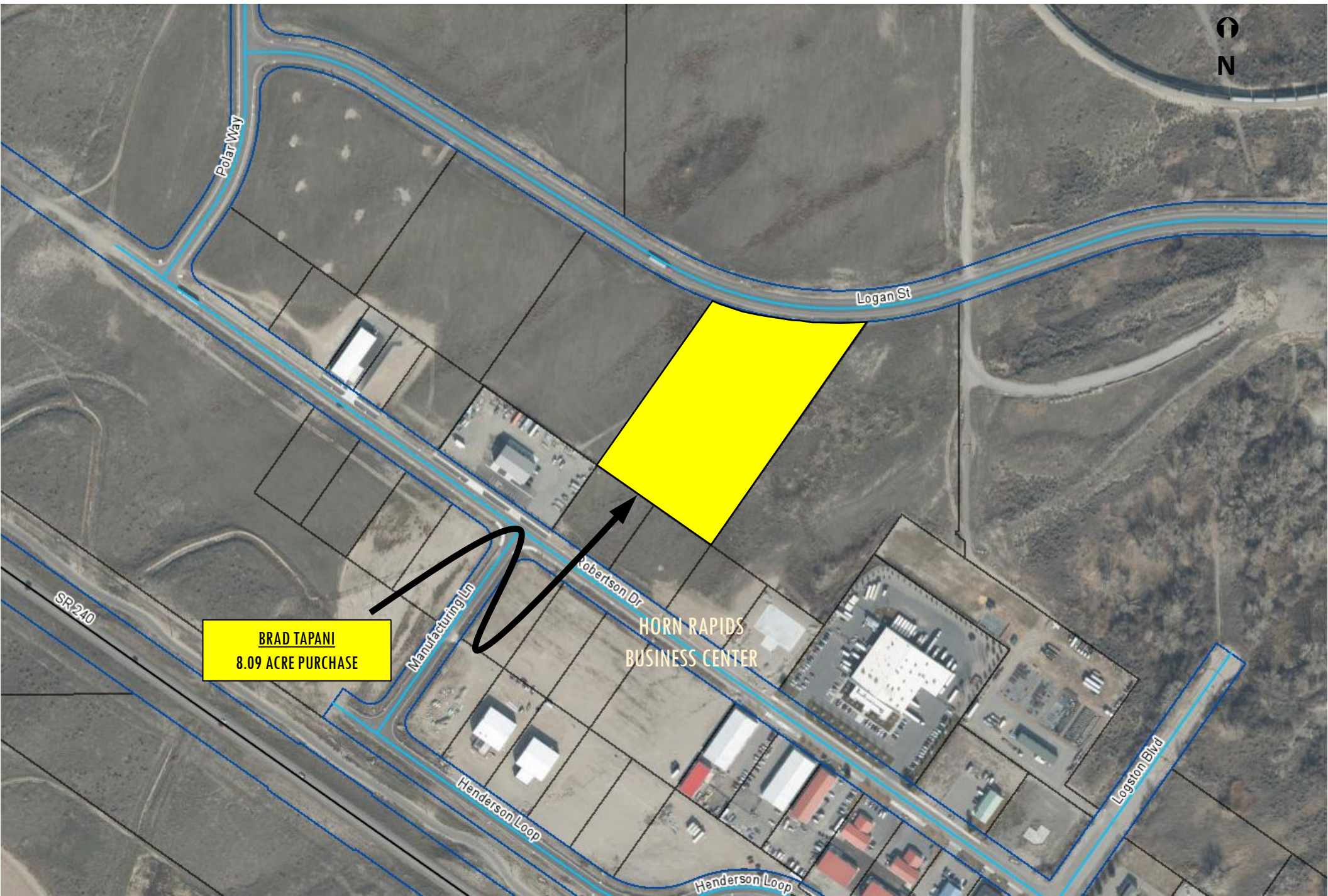
-Electric Fund (\$0.044 per square foot): \$15,505.62

-Water Fund (\$0.079 per square foot): \$27,839.63

-Sewer Fund (\$0.029 per square foot): \$10,219.61

Attachments:

1. Site Map-Brad Tapani
2. Brad Tapani LOI 7 23 2021



BRAD TAPANI
8.09 ACRE PURCHASE

HORN RAPIDS
BUSINESS CENTER



July 23, 2021

Re:

Letter of Intent to Acquire Approximate 8.09 Acres of Land located on Logan Road, Tax Parcel 127082000001031.

This Letter of Intent ("Letter") shall outline the terms and conditions pursuant to which an Brad Tapani and/or Assigns, Buyer, proposes to acquire the Property identified above. The purpose of this Letter is to set forth the primary terms and conditions upon which Buyer and Seller (defined below) would negotiate and enter into a formal purchase agreement for the purchase the property ("Purchase Agreement").

Seller:	City of Richland
Buyer:	Brad Tapani and or Assigns
Property:	Approximate 8.09 acres
Price:	\$828,141.00
Earnest Money:	\$5,000.00 Earnest money will become non-refundable after 60 day feasibility period if buyer does not notify seller in writing.
Title:	Seller will be required to provide Buyer with good, lien free, and marketable title, without encumbrance by any monetary liens, encumbrances, or claims.
Due Diligence Period:	Buyer shall have a period of Sixty (60) days from mutual execution of contract to perform all investigation of the Property and its condition, as Buyer may deem necessary.

Financing Period: Buyer shall have a period of (60) days from mutual execution of contract to obtain financing satisfactory to Buyer, in Buyer's sole discretion.

Closing: Closing shall take place no later than Sixty (60) days from buyers removal of feasibility contingency.

Closing Costs: All closing costs shall be charged and pro-rated according to the practices normal in the State of Washington.

Contract Preparation: Seller shall deliver a formal Purchase Contract to Seller incorporating the terms and conditions outlined in this Letter within one (1) week of mutual execution of this Letter. The parties hereto agree to negotiate in good faith toward finalizing said Purchase Contract within ten (10) days of presentation of the same.

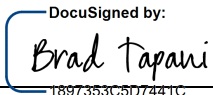
Brokerage Commissions: Seller acknowledges that Scott Sautell SVN Retter & Company is representing the Buyer and that City of Richland is representing the Seller in this sale. Commission is to be 4% paid to Scott Sautell SVN Retter & Company at closing.

This Letter is not intended to create a legal commitment binding upon Seller and Buyer but to establish an understanding and in good faith negotiate and execute a formal purchase and sale agreement. It is understood that this Letter is intended to outline the principal terms of a proposed agreement for the purchase and sale of the Property, upon which the parties will proceed to finalize the Purchase Contract. If the foregoing is acceptable, please indicate the same by signing below.

Seller: City of Richland

By: _____

Buyer: Brad Tapani and/or Assigns

By:  07/23/2021
1897353C5D7441C...



ECONOMIC DEVELOPMENT COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 7/26/2021

Agenda Category: Business

Prepared By: Darin Arrasmith, Planner

Subject:

Establishing New Pricing for City-owned Properties in the Horn Rapids Business Center, Horn Rapids Commercial Plaza and the Horn Rapids Industrial Park, and Implementing a biennial review process.

Department:

Development Services

Recommended Motion:

That the Economic Development Committee make a positive recommendation to the Richland City Council to authorize the setting of new minimum prices for City-owned properties in the Horn Rapids Business Center, Horn Rapids Industrial Park and the Horn Rapids Commercial Plaza, and implementing a biennial review process.

Summary:

Staff is recommending that the City Council set adjusted pricing for city-owned surplus properties. Prices for Horn Rapids Business Center, Commercial Plaza and Industrial Park properties have not been adjusted since 2018. Market values, development costs and comparable market properties are being listed and sold at higher prices than the City's surplus properties. In order to keep up with development costs associated with preparing city-owned properties, as well as with comparable market values, an updated price list will make marketing and negotiating property sales more efficient. Setting a fixed price list ensures that the Economic Development Committee and the City Council are aware of the pricing schedule for properties in Horn Rapids.

Fiscal Impact:

An updated price list will result in increased revenues in the Industrial Development Fund to offset increased development costs associated with City-owned properties.

Attachments:

1. EDC_2021 Land Prices

EXHIBIT A
CITY-OWNED HORN RAPIDS SURPLUS PROPERTY PRICES

HORN RAPIDS BUSINESS CENTER

PROPERTY	2018 PRICE PER SQUARE FOOT	PROPOSED PRICE PER SQUARE FOOT (2021)
Interior Lots	\$2.35	\$3.25
Highway Frontage	\$3.00	\$4.00
Commercial-Zoned Lots	\$2.75-\$3.40	\$4.50

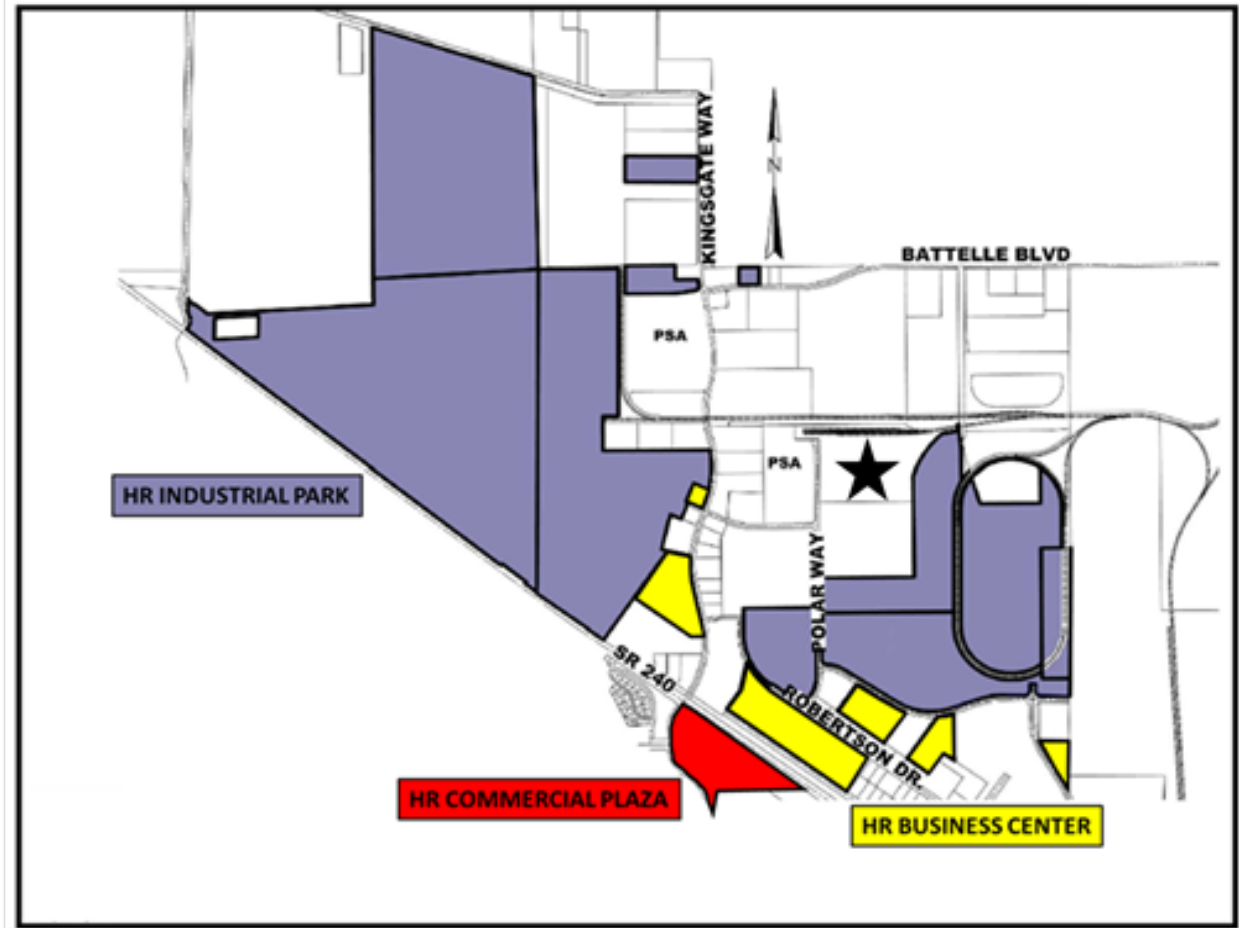
HORN RAPIDS INDUSTRIAL PARK

PROPERTY	2018 PRICE PER SQUARE FOOT	PROPOSED PRICE PER ACRE (2021)
Less than 10 Acres	\$43,600-\$54,500	\$65,000-\$98,000
More than 10 Acres	\$30,500-\$43,600	\$54,500-\$65,000

HORN RAPIDS BUSINESS CENTER

PROPERTY	2018 PRICE PER SQUARE FOOT	PROPOSED PRICE PER SQUARE FOOT (2021)
Lot A	\$4.00	\$4.50
Lot B	\$4.00	\$4.50
Lot C	\$3.50	\$4.60
Lot D	\$3.50	\$4.60
Lot E	\$2.75	\$3.25
Lot F	\$2.50	\$3.00
Lot G	\$3.00	\$3.50
Lot H	\$3.00	\$3.50
Lot I	\$3.00	\$3.50

EXHIBIT B
CITY-OWNED HORN RAPIDS SURPLUS PROPERTIES





ECONOMIC DEVELOPMENT COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 7/26/2021

Agenda Category: Announcements

Prepared By: Amanda Wallner, Marketing Specialist

Subject:
Live @ 5

Department:
Development Services

Recommended Motion:

Summary:

Fiscal Impact:

Attachments:

1. Live at 5 poster

Live @5

Hapo
Community Credit Union

Summer Concert Series

NATE BOTSFORD
JULY 8TH

BLACK ROSE CONCEPT
& SNACKS @ MIDNIGHT
JULY 15TH

TORN VEIL &
QUEENSGATE
JULY 22ND

FALLOUT &
THE STONEY
LONESOME BAND
JULY 29TH

GROOVE PRINCIPAL
AUG. 5TH

STOMPIN GROUND
AUG. 12TH

BADLANDZ
AUG. 19TH

THE KNOCKDOWNS
AUG. 26TH

VOO DOO ALLEY
SEPT. 2ND

EAGLE
CLASSIC ROCK THAT **REALLY** ROCKS
106.5 FM

POWER
99.1 FM

94.9 FM THE WOLF
EVERYTHING COUNTRY

106.1
MORE fm



**RICHLAND AREA
CHAMBER**
& ECONOMIC DEVELOPMENT
Strong Business.
Strong Community.



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