



MONROE CITY COUNCIL

Agenda Bill No. 19-126

SUBJECT:	Authorize the Mayor to Sign Amendment No. 2 for Reimbursement of Appraisal Costs for the East Monroe Heritage Site
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DATE:	DEPT:	CONTACT:	PRESENTER:	ITEM:
06/11/2019	Administration	Deborah Knight	Deborah Knight	Consent Agenda #5

- Discussion:** 11/13/2018; 04/09/2019; 06/11/2019
- Attachments:**
1. Amendment No. 2 Appraisal Cost Agreement
 2. Amendment No. 1 Appraisal Cost Agreement
 3. Appraisal Cost Agreement between Forterra and the City of Monroe

REQUESTED ACTION: Move to authorize the Mayor to sign Amendment No. 2 to the Appraisal Cost Agreement between Forterra and the City of Monroe in an amount not to exceed \$30,000; and expressly authorize further minor revisions as deemed necessary or appropriate.

POLICY CONSIDERATION

Section 4.10(e) Purchasing Limitations of the City of Monroe Procurement Policies and Procedures adopted on March 20, 2018 require that contracts of any amount that are not consistent with the adopted budget require City Council approval.

DESCRIPTION/BACKGROUND

The City has been working to secure funding to purchase five parcels (approximately forty-three acres) commonly known as East Monroe.

In June 2018, the City contacted Forterra asking for a letter of support for the Snohomish Conservation Futures grant to purchase the property. The request resulted in a meeting to discuss the property and the opportunity to work with Forterra to secure the site for preservation as open space and public use.

Forterra (formally Cascade Land Conservancy) is a not-for-profit organization focused on preserving land and sustaining communities across Washington State including wetlands, farmlands, and forests. Forterra has a goal to rebuild the economy of the Skykomish Valley by conserving natural resources, providing outdoor recreation opportunities and revitalizing valley communities.

In connection with efforts to acquire the property, the City and Forterra entered into a Letter of Agreement in November 2018 to reimburse Forterra to appraise the property in an amount not to exceed \$10,000. On April 9, 2019, the City Council approved Amendment No. 1 to the Letter of Agreement to reimburse Forterra for a land use/zoning analysis and construction cost estimate for a not-to-exceed amount of \$12,500. The additional work was necessary to calculate the level of effort and cost to develop the property under a General Commercial zoning designation.

The proposed Amendment No. 2 includes two additional tasks:

1. Additional work needed to incorporate findings from the land use/zoning analysis and construction cost estimate into the original appraisal prepared by Jeff Sherwood not-to-exceed \$2,500.

2. Additional work needed for Paul Zemtseff, the review appraiser, to coordinate with Otak Engineers to develop the land use/zoning analysis and construction cost estimate; and analysis on comparable properties. Not-to-exceed \$4,600.

FISCAL IMPACTS

The total cost for the appraisal and review appraisal is not to exceed \$30,000. There is funding available in the Real Estate Excise Tax (REET 1) fund to pay for the East Monroe acquisition costs.

TIME CONSTRAINTS

None.

ALTERNATIVES TO REQUESTED ACTION

The City Council may have additional questions or concerns that need to be addressed prior to approving Amendment No. 2 to the Letter of Agreement with Forterra.

The City Council may also determine not to approve Amendment No. 2 to the Letter of Agreement with Forterra.



April 23, 2019

City of Monroe
Attn: Deborah Knight, City Administrator
806 West Main Street
Monroe, WA 98272

RE: East Monroe Heritage Site – Reimbursement of Appraisal Costs
Snohomish County Parcels 27070600102500, 27070500206100, 27070500206200,
27070500206300, and 27070500206400 (the “Property”)

Ms. Knight,

As contemplated by the letter agreement dated November 14, 2018, as amended on March 14, 2019, between the City of Monroe (“City”) and Forterra NW (“Forterra”), regarding reimbursement of appraisal costs in connection with efforts to acquire the above referenced Property (“Agreement”), City agrees to reimburse Forterra for the following additional costs:

- (a) Appraisal of the Property, which complies with the Uniform Standards for Federal Land Acquisition (“UASFLA” or “yellow book”), to be completed by Jeffrey Sherwood of Sherwood Appraisals; and for an additional not-to-exceed amount of \$2,500.00 for additional tasks beyond the original appraisal scope of work.
- (b) Review Appraisal of the Property, which complies with UASFLA, to be completed by Paul Zemtseff of The Eastman Company for an additional not-to-exceed amount of \$5,000.00 for additional tasks beyond the original review appraisal scope of work.

With these additional costs, the total amount to be reimbursed pursuant to the Agreement shall not exceed \$30,000.00, without prior written permission from the City.

Thank you,

Forterra NW

Acknowledged and agreed by an authorized signatory of the City of Monroe, Washington:

By: _____

By: _____

Tobias Levey
Vice President, Real Estate Transactions

Name: _____

Title: _____

Date: _____

FORTERRA

FOR THE PEOPLE. FOR THE LAND. FOREVER.

April 9, 2019

City of Monroe
Attn: Deborah Knight, City Administrator
806 West Main Street
Monroe, WA 98272

RE: Amendment No. 1 East Monroe Heritage Site – Reimbursement of Appraisal Costs
Snohomish County Parcels 27070600102500, 27070500206100, 27070500206200,
27070500206300, and 27070500206400 (the “Property”)

Ms. Knight,


As contemplated by the letter agreement dated November 14, 2018, between the City of Monroe (“City”) and Forterra NW (“Forterra”), regarding reimbursement of appraisal costs in connection with efforts to acquire the above referenced Property (“Agreement”), City agrees to reimburse Forterra for the following additional costs:

Land Use/Zoning Analysis and Construction Cost Estimate, to be completed by Chad Weiser of Otak, Inc., for a not-to-exceed amount of \$12,500.00.

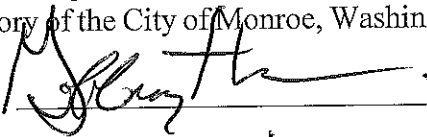
With this additional cost, the total amount to be reimbursed pursuant to the Agreement shall not exceed \$22,500.00, without prior written permission from the City.

Thank you,

Forterra NW

By: 
Tobias Levey
Vice President, Real Estate Transactions

Acknowledged and agreed by an authorized signatory of the City of Monroe, Washington:

By: 
Name: GEORGEY THOMAS
Title: Mayor
Date: 4/26/19



November 14, 2018

City of Monroe
Attn: Deborah Knight, City Administrator
806 West Main Street
Monroe, WA 98272

RE: East Monroe Heritage Site – Reimbursement of Appraisal Costs

Ms. Knight,


As you know, Forterra NW, a Washington nonprofit corporation (“Forterra”) and the City of Monroe, a municipal corporation of the State of Washington (“City”), are working together to acquire certain real property, comprising approximately 43 acres and generally identified as Snohomish County Parcels 27070600102500, 27070500206100, 27070500206200, 27070500206300, and 27070500206400 (the “Property”).

In anticipation of the Property acquisition, and as required by potential funding sources, Forterra is willing to obtain on behalf of the City:

- (a) Appraisal of the Property, which complies with the Uniform Standards for Federal Land Acquisition (“UASFLA” or “yellow book”), to be completed by Jeffrey Sherwood of Sherwood Appraisals; and for a not-to-exceed amount of \$5,000.00.
- (b) Review Appraisal of the Property, which complies with UASFLA, to be completed by Paul Zemtseff of The Eastman Company for a not-to-exceed amount of \$5,000.00.

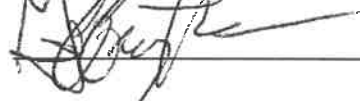
By this letter agreement, regardless of whether Forterra or the City ultimately acquires the Property, the City agrees to reimburse Forterra, within 60 days following receipt of invoice, the actual costs incurred for the Appraisal and Review Appraisal of the Property, which total amount shall not exceed \$10,000.00, without prior written permission from the City.

Thank you,



Tobias Levey
Vice President, Real Estate Transactions

Acknowledged and agreed by an authorized signatory of the City of Monroe, Washington:

By: 

Name: Geoffrey Thomas
Title: Mayor
Date: November 14, 2018