

**RESOLUTION NO. 19-14**

A RESOLUTION OF THE KITSAP TRANSIT BOARD OF COMMISSIONERS APPROVING THE PURCHASE OF REAL PROPERTY IN LIEU OF CONDEMNATION OWNED BY BERTHOLD R. AND LINDA K. ARNOLD, TRUSTEES OF THE BERTHOLD AND LISA ARNOLD TRUST, LOCATED AT 1480 NEW SID UHINCK DRIVE IN SILVERDALE, WASHINGTON, IDENTIFIED AS TAX PARCEL NO. 12501-3-088-2008 FOR USE IN DEVELOPING A TRANSIT FACILITY; AND DIRECTING KITSAP TRANSIT STAFF TO NEGOTIATE THE TERMINATION OF THE LEASEHOLD INTEREST OF THE TENANT OF SUITE 200 WITHIN THE BUILDING ON THE PROPERTY

**WHEREAS**, at the November 6, 2018 meeting of Kitsap Transit's Board of Commissioners, the Commissioners considered Resolution 18-73 authorizing Kitsap Transit to initiate condemnation proceedings to acquire the above Property; and

**WHEREAS**, at such meeting, the Arnolds requested that the Board continue the matter to enable the Arnolds to procure a review appraisal; and

**WHEREAS**, the Board of Commissioners approved the continuance of the matter; and

**WHEREAS**, the Arnolds procured a Review Appraisal dated December 7, 2018 from Gary Lyman of Richards and Associates which was forwarded to Kitsap Transit's General Counsel by the Arnolds attorney on December 17, 2018; and

**WHEREAS**, in his review appraisal, Mr. Lyman concluded the fair market value of the property is one million, eight hundred thousand dollars (\$1,800,000). In the interest of avoiding the cost and uncertainty of a condemnation proceeding, the Arnold's attorney and Kitsap Transit's General Counsel negotiated a Purchase and Sale Agreement (PSA) In Lieu of Condemnation for the review and approval of the Arnold's and Kitsap Transit's Executive Director and Board of Commissioners (attached hereto as Exhibit A); and

**WHEREAS**, the proposed purchase price for the property is one million, eight hundred thousand dollars (\$1,800,000); and

**WHEREAS**, Kitsap Transit will pay all escrow fees, the recording fee for the Deed, title insurance premiums, and prorated real property taxes and assessments; and

**WHEREAS**, Kitsap Transit's staff recommends acquiring the Property pursuant to the terms of the PSA; and

**WHEREAS**, if the Board approves the PSA, Kitsap Transit's staff and General Counsel will need to negotiate the termination of the leasehold interests of Fairway Mortgage which occupies Suite 200 and negotiate payment of moving and relocation expenses required by Federal or State Law; and

**WHEREAS**, the Arnolds own a business known as Olympic Northwest Insurance, which occupies Suite 100; and

**WHEREAS**, if the Arnolds fail to sell their business prior to the Closing Date, Kitsap Transit will also need to negotiate moving and relocation expenses required by Federal or State Law; and

**WHEREAS**, the development of a new Transportation Center (sometimes referred to as "Transit Facility") in the Silverdale area is essential for providing transportation service that connects service to and from Silverdale and Poulsbo and Silverdale and Bremerton; and

**WHEREAS**, following the solicitation of public comment on three alternative locations for Kitsap Transit's development of a new Transit Facility in the Silverdale area, Kitsap Transit adopted Resolution 15-49 authorizing Kitsap Transit's staff to undertake an Environmental Site Assessment, and review and project design on certain property located of Waaga Way and near the intersection of Ridgetop Blvd and NW Sid Uhinck Drive; and

**WHEREAS**, during the course of that site review and project design, Kitsap Transit adopted Resolution No. 16-26 selecting the Arnold property and two other parcels of property as a suitable site for the development of the Transit Facility and directed staff to seek grant funding for Phase I of the Transit Facility; and

**WHEREAS**, Kitsap Transit acquired the other two parcels pursuant to Resolution No.18-55; and

**WHEREAS**, the acquisition of the Arnold property and vacation of the Building thereon is necessary to enable Kitsap Transit to begin the construction of the Silverdale Transportation Center.

**NOW THEREFORE, BE IT RESOLVED**, by the Board of Commissioners pursuant to Kitsap Transit's authority under Chapter 36.57A RCW, as follows:

**SECTION 1: Acquisition of Arnold Property Authorized**

Kitsap Transit shall acquire the Arnold property legally described in Exhibit B attached hereto in accordance with the terms of the PSA attached hereto as Exhibit A, and Kitsap Transit's Executive Director or his designee is authorized to sign the PSA and all closing documents and instruments necessary to complete the purchase of the Arnold Property.

**SECTION 2: Negotiation of Termination of Leasehold Interest and Payment of Moving and Relocation expenses.**

Kitsap Transit's staff, with the assistance of General Counsel, is hereby authorized and directed to negotiate terms for the Termination of the Leasehold Interest of the Tenant of Suite 200, and all other occupants of the Property and to negotiate the terms of any legally required moving and relocation expenses that may be due to Fairway Mortgage and Olympic Northwest

Insurance. However, if the proposed monetary terms thereof exceed fifty thousand dollars (\$50,000), such terms shall require the approval of Kitsap Transit's Board of Commissioners.

**SECTION 3: Other Authority**

Kitsap Transit's Executive Director, with the assistance of the General Counsel, is authorized to make minor amendments to the legal descriptions or maps of the Arnold Property described in the attached Exhibit B as may be necessary to correct scrivener's errors or to conform the legal description to the precise boundaries of the Property.

**SECTION 4: Finding of Public Use and Necessity**

Kitsap Transit's Board of Commissioners finds that the acquisition of the Arnold Property and termination of any possessory rights held by others is for public use and purpose, to-wit, to develop, own, operate and maintain a Transit Facility. The Board of Commissioners further finds the Property described in Exhibit B is necessary for the proposed public use and for the benefit of the public.

**SECTION 5: Funds**

Funds allocated for Capital Projects supporting the development of the Transit Facility shall be made available to carry out the provisions of this resolution.

**ADOPTED** by the Kitsap Transit Board of Commissioners at a special meeting held on the 22nd day of January, 2019.



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Kol Medina, Chairperson

ATTEST:



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Jill A. Boltz, MMC  
Clerk of the Board