

5/18/2020

RESOLUTION NO. M-_____

A RESOLUTION relating to the approval of a third amendment to the disposition and development agreement entered into pursuant to RCW Chapter 36.70B between the City of Vancouver (City) and Holland Acquisitions Co., LLC (Holland); and authorizing the City Manager to execute a third amended disposition and development agreement.

WHEREAS, pursuant to RCW 36.70B.170, on October 25, 2019, the City entered into a Land Disposition and Development Agreement (DDA) with Holland to set forth the terms for the development of Block 10 (bounded by Columbia, West 8th, West 9th, and Washington Streets) Vancouver, Washington; and

WHEREAS, the City and Holland entered into a First Amended DDA approved by the Vancouver City Council on December 16, 2019; and

WHEREAS, on January 27, 2020, Holland unconditionally waived Lessee's Due Diligence Contingency under Section 2.5(b) of the DDA; and

WHEREAS, the City and Holland entered into a Second Amended DDA approved by the Vancouver City Council on February 3, 2020; and

WHEREAS, Holland has advised that the sudden onset of the novel coronavirus (COVID-19) has posed challenges in meeting the projected closing in May and requested a one-month extension of closing, and

WHEREAS, Section 7.3 "Force Majeure Delay" of the parties' DDA expressly contemplates that certain delays due to epidemics and quarantine restrictions shall not constitute

RESOLUTION - 1

grounds for default and the City's negotiating team has recommended extending the Closing Date to a date selected by Holland but not later than June 26, 2020 in order to provide additional time for closing; and

WHEREAS, Holland has requested removal of certain Performance Guaranty language that would be triggered in the event of a default that is (i) not timely cured, and (ii) not forgiven due to the parties' force majeure clause; and

WHEREAS, in exchange for the foregoing language change, Holland is willing to increase the amount of the security deposit (from \$250,000 to \$500,000) and extend the duration that such deposit may be held to run through issuance of a temporary certificate of occupancy for the planned improvements to the premises; and

WHEREAS, it is in the mutual interest of the City and Holland to enter into this amended agreement respecting the development of the property; and

WHEREAS, City and Holland desire to affirm the amended DDA in all respects other than as modified by the Third Amendment to the DDA attached hereto as Exhibit "3.A." and incorporated by this reference; and

WHEREAS, a public hearing was duly noticed and held by the City Council on Monday, May 18, 2020, regarding the approval of the attached amendment to the disposition and development agreement;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY OF VANCOUVER:

Section 1. The City Council, in accordance with RCW 36.70B.200, hereby authorizes the City Manager to execute on behalf of the City, the Third Amendment to the DDA in the form attached hereto as Exhibit "3.A."

RESOLUTION - 2

ADOPTED at a Regular Meeting of the Vancouver City Council this 18th day of May,
2020.

Anne McEnery-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Jonathan Young, City Attorney