

TIMELINE OF HINGER HOUSE PURCHASE

April 9, 2007 – the ‘CAC for the Upgraded City Facilities’ presented their recommendations to the City Council. The CAC’s recommendations stated that their top priority was entitled “Alternative C, The Miller House-Sampson House Civic Center Complex”. This Alternative C involved “utilizing city owned parcels and/or acquiring adjacent parcels of land would accommodate all the City’s municipal needs...” and included a map and photographs, both of which specifically incorporated the Hinger House.

July 23, 2009 – The City Council held a study session to review all city assets in preparation for the adoption of a comprehensive Asset Management Plan that would identify those properties with the highest public benefit for further enhancement and those with the lowest public benefit for surplus. The consensus was that we needed to proceed with the finalization of such a plan.

August 7 – Staff delivers memo recommending that the City expeditiously proceed with developing a plan for the Miller/Sampson site, and relocating the Police there, in conformance with the CAC’s recommendation.

October 6 – The recommendation to relocate the Police into the city-owned Sampson House is rejected by the City Council.

October 15 – In a confidential memo to the Council, staff recommends that the City maximize its existing locations by remodeling the rear of the Miller House to allow for expanded Police facilities. In that same memo, the fact that the Hinger House will be going on the market soon through an estate sale is noted, along with its positive attributes; however, staff does not recommend its purchase.

October 20 – In Executive Session, confidential memo is discussed. Numerous property opportunities are reviewed, but Council focus shifts to the Hinger House for use as Police facilities. Staff notes that the estate has informed the City that they would be willing to offer the property to the City at \$288,000, but if the City is not interested, then “they are going to be sinking some dollars into it do some interior

clean-up, estimated at \$12,000 that would be added to the sales price”. Such improvements would be for residential sale and would likely have to be removed for Police purposes. Staff added that it was not possible to estimate City improvement costs without detailed investigation. Consensus of the full Council was for the Administrator to explore the purchase of Hinger property and to commence good faith negotiations that will ensure that the estate does not perform improvements that will raise the price.

November 3 – In Executive Session, Council receives memo from Chief Towe regarding commercial financing options, along with additional email from Timothy Clayton of US Bank. Options for choosing appraisers are also presented, along with a Market Analysis prepared by Realtor Bill Leep. Staff informs Council that the Estate would like to know the City position on the property as soon as possible and that the City will need to make a sound offer to secure. Administrator reviews a matrix of financing options on the white board, recommending that the Council saving financing costs by using internal financing and borrowing against the Public Safety and Water Funds. The full Council, by consensus, agreed to proceed with securing the property, acquiring an appraisal & inspection report, and utilizing internal financing. Chief Towe was designated as ‘point man’ on securing the property.

November 4 - 6 – Chief Towe enters into negotiations with Estate’s realtor and initial drafts of Sales Agreement and Earnest Money are prepared.

November 10 – Estate’s Realtor reviews draft counteroffer sale agreement with staff. Staff informed that he is required to submit property to MLS for listing within 48 hours of the signing of a listing agreement and that the Hinger Estate was in the process of signing that agreement. Appraisal and building inspection ordered.

November 11 – City Attorney reviews draft agreement and provides recommended language changes.

November 12 – Administrator signs amended Sales agreement and has \$2,000 Earnest Money deposited with Title Company to ensure that Hinger property is listed on MLS at the \$288,000 price with a ‘sale pending’ indicator, instead of an ‘active’ listing.

November 16 – Appraisal received from Trickey Appraisal with a valuation of \$300,000. Home inspection performed by Ayers Inspection.

November 17 – In Executive Session, Council (without Councilor Becker) is informed that the offer is accepted, earnest money submitted, a \$300,000 appraisal value determined and an inspection report received.

November 25 – Administrator issues memo encapsulating recommendations for financing of Hinger House and for the adoption of an Asset Management Plan.

November 30 – Corrective electrical work performed.

December 1 – In the morning, the Mail Tribune publishes article about the Council considering purchase of the Hinger property at that evening’s agenda.

In Executive Session, Council (without Councilor Becker) was reminded that the Resolution on the regular agenda was to authorize signing of closing documents, and that we were down to the last step in purchasing the property, other than the City Attorney’s review of Title Report. Council was informed that closing would probably occur within two weeks. Staff recommends financing structure. Council indicates desire to proceed, but defers financing decisions until later meeting.

In regular session, bills for Trickey Appraisal (\$400), Ayers Inspection (\$325) approved, along with Resolution 1031 authorizing the Mayor to sign all documents relating to the purchase of the property.

December 2 – Title Report received and forwarded to the City Attorney.

December 3 – City Attorney provides response related to Title Report providing the clearance to proceed to closing.

December 7 – 9 – Realtor for Estate informs Chief Towe that they are ready to close. Chief Towe, planning to be on vacation on December 28th, which is the latest allowable date, requests options for earlier date. After coordination with Estate, Title Company, and Mayor, December 11 is selected.

December 11 – HUD settlement statement for closing of property reviewed and signed by Mayor Garrett. Wire transfer of purchase funds executed. Property closes and changes possession.

December 15 – In Executive Session, Council informed of closing and reviews funding options again. Numerous wording changes recommended for the financing agreement. Council requests that staff solicit more detailed remodeling estimates.

In regular session, the Council's proposed funding arrangements under item 4A and Resolution 1032 are tabled due to desire to reword the agreement and incorporate better remodeling estimates.

December 16 – Earnest money deposit of \$2,000 is refunded by Title Company.

January 5 - In regular session, the Council's proposed funding arrangements are tabled again due to resistance to utilizing Historic Preservation Funds as a loan source.