# CLARK COUNTY STAFF REPORT

DEPARTMENT/DIVISION:	Environmental Services / Resource Policy and Planning / Legacy Lands				
DATE:	March 3, 2015				
REQUEST:	Execute the Purchase and Sale Agreement with WGS, LLC, to acquire 153 acres of land adjacent to Flume Creek and tributaries at the south boundary of the City of Ridgefield with \$2.13 million of Conservation Futures revenue.				
CHECK ONE:		☐ Hearing	Chief Administrative Officer		
authorizing the Director of Er and Conservation Office to a rated projects evaluated thro (WWRP-UW) and the legisla Funding Board as the state's Director of Environmental Se Report 183-13. The agreeme Recreation and Conservation acquisition, the Conservation acquisition, the Conservation Areas 'Project Opportunities-County includes approximately 5,500 extensively covered by both of Fish and Wildlife, including Oak. The Columbia Land Tru Washington Department of F  BUDGET AND POLICY IMP market value of the property surveys, boundary line adjust other due diligence studies a Conservation Futures funding Conservation Office for the a management, with estimated	rivironmental Services to cquire the Flume Creek ugh the Washington Wature authorized appropriate of the acquisition rivices to execute the gent allows the county to office as expenses as Futures fund will be restricted in Creek propriate of Flume Creek propriate of Flume Creek ariparian and upland price a biodiversity area and ist, the City of Ridgefie ish and Wildlife all supposed in the staff time to administ the county will be cquisition. Clark County maintenance/manage in the adopted 2015-1	to submit grant applicate property. The grant a vildlife and Recreation oriation of \$1,105,925 for. The Board of Countrant agreement on Set of submit requests for property is within a priority chapter of cost and and smaller tributaries ority habitat as designated to the Ridgefield Nation of the	acquisition area identified in Clark cally includes a line item in the fund leveraging. The property to Lake River. The property is ated by the Washington Department concentrations, and Oregon White conal Wildlife Refuge and the review appraisal established the fair I expenses including property legal, cultural resource assessment and at an additional \$105,000 in 05,925 by the State Recreation and		
FISCAL IMPACTS:	Yes (see Fiscal Im	pacts Attachment)	☐ No		
	c and tributaries at the		WGS, LLC, to acquire 153 acres of City of Ridgefield with \$2.13 million		





<u>DISTRIBUTION</u>: Please return original copies of the signed agreement and the approved staff report to Environmental Services Administration.

Patrick Lee

Program Manager

CLARK COUNTY, WASHINGTON BOARD OF COUNTY COUNCILORS

Don Benton

**Environmental Services Director** 

SR 031-15

March 3, 2015

(PL//bt)

c: Dorn Swigert, WGS,LLC
Dan Roix, Columbia Land Trust
Patrick Lee, Clark County Environmental Services
Kim Sellers, Washington State Recreation and Conservation Office

#### FISCAL IMPACT ATTACHMENT

I.A - Explanation of what the request does that has fiscal impact and the assumptions for developing revenue and costing information.

The request is for the Board of County Councilors to approve a purchase and sale agreement to acquire 153 acres in the Ridgefield vicinity. A professional appraisal established the fair market value of the property at \$2,130,000. Incidental expenses including property legal surveys, boundary line adjustments, cultural resources assessments and other due diligence studies are estimated to cost an additional \$105,000. County will be reimbrused approximately \$1,081,000, through Washington Wildlife and Recreation Program grant 12-1504 for the acquisition.

#### Part II: Estimated Revenues

		Current Biennium		Next Biennium		Second Biennium	
Fund #/Title		GF	Total	GF	Total	GF	Total
3085 / Conservation Futures			\$1,154,075		\$8,000		\$8,000.00
State Recreation and Conservation Funding Board - WWRP Grant			\$1,080,925				
					L		
	Total:	\$0.00	\$2,235,000	\$0.00	\$8,000	\$0.00	\$8,000.00

#### II.A - Describe the type of revenue (grant, fees, etc.)

\$1,105,925 State Recreation and Conservation Funding Board grant funds.

\$1,154,075 from Clark County Conservation Futures funds.

#### Part III: Estimated Expenditures

III.A - Expenditures summed up

		Current Biennium		Next Biennium		Second Biennium	
Fund #/Title	FTE's	GF	Total	GF	Total	GF	Total
3085/Conservation Futures County			\$2,235,000		\$8,000		\$8,000.00
	Total:	\$0.00	\$2,235,000	\$0.00	\$8,000	\$0.00	\$8,000.00

III.B = Expenditure by object category

	Current Biennium		Next Biennium		Second Biennium	
3085/Conservation Futures Fund		Total	GF	Total	GF	Total
Salary/Benefits		\$17,322		\$8,000.00		\$8,000.00
Contractual		\$87,678				
Supplies						
Travel						
Other controllable					_	
Capital Outlays: OC 600		\$2,130,000				
Inter-fund Transfers						
Debt Service					_	
Total:	\$0.00	\$2,235,000	\$0.00	\$8,000	\$0.00	\$8,000.00

# EN 15-7 REAL ESTATE PURCHASE AND SALE AGREEMENT

On this 3rd day of March, 2015 WGS, LLC, a Washington Limited	
On thisday of, 2015 WGS, LLC, a Washington Limited	
Liability Company, hereinafter referred to as "Seller", and CLARK COUNTY,	
WASHINGTON, a Municipal Corporation, hereinafter referred to as "Purchaser", (th	e
"Parties", hereby agree as follows:	

Seller agrees to sell real property and Purchaser agrees to buy real property located in Clark County, Washington, in SW Section 30 T4N R1E, and NW Section 31 T4N R1E, in the records of Clark County, Washington. The property is approximately 153 acres in size, includes tax parcels 220031-000, 216245-000 and 220428-000 east of the Burlington Northern and Santa Fe Railroad right-of-way, and a part of abutting tax parcel 220010-000 east of the Railroad right-of-way and south of the extension of NW Sevier Road that is more fully described and depicted in Exhibit "A", attached hereto and made a part hereof (the "Property").

- 1. Purchase Price: The total purchase price shall be \$2,130,000.00 (TWO MILLION ONE HUNDRED THIRTY THOUSAND DOLLARS AND 00/100), which is estimated to be the fair market value based on an independent fair market appraisal, and is to be paid as follows:
  - A. Twenty-Five Thousand Dollars (\$25,000.00) in earnest money down upon the execution of this agreement, receipt of which is hereby acknowledged, and which will be held in escrow.
  - B. The balance of Two Million One Hundred and Five Thousand Dollars (\$2,105,000.00) shall be paid in cash at closing.
  - C. Pursuant to an Option Agreement dated January 15, 2013 between Seller and Taverner Ridge L.L.C., Taverner Ridge has the option to purchase the Property and agrees to assign its option rights to Purchaser at closing pursuant to Section 7.2 of the Option Agreement. In consideration for assigning its option rights, and pursuant to Section 7.3 of the Option Agreement, Taverner Ridge and the Seller shall be entitled to that portion of the sales proceeds as follows:
    - 1. Seller will be entitled to \$367,800, the minimum price under the Option Agreement;
    - 2. In addition to the amount in C.1. above, Seller will be entitled to one-half of the difference between the Purchase Price and the minimum price, less Seller's closing costs:
    - 3. Taverner Ridge will be entitled to one-half of the difference between the Purchase Price and the minimum price.

#### 2. Title and Title Insurance:

- A. Seller shall convey title by Statutory Warranty Deed, free from liens and encumbrances, except the following: (1) standard general title policy exceptions; (2) special exceptions reviewed and accepted by Purchaser within 15 business days of receipt of the preliminary title commitment; (3) real estate taxes payable after the date of Closing; and, (4) governmental building and land use laws and regulations.
- B. Seller shall provide a preliminary commitment for a standard form owner's title insurance policy in the amount of the purchase price of the **Property**, with no exceptions other than those agreed to above, within 30 days prior to Closing and shall provide a standard form owner's title insurance policy at Closing.

# 3. Closing and Prorations:

- A. Seller shall pay the premium for a standard coverage owner's title insurance policy without endorsements or extended coverage, in the amount of the Purchase Price, one-half of the closing escrow agent's fee, Seller's attorneys' fees incurred in this transaction, all fees to record documents needed to clear any title exceptions required to be removed by Seller, pro-rated real property taxes as of the date of closing, except any additional taxes, penalties or interest under RCW 84.34.100 triggered by the removal of the Property, or the property retained by Seller, which are the remainders of tax parcels 220010-000, 220031-000 and 220428-000 (Remainder Tax Parcels), from Clark County's Open Space Taxation Program (Chapter 3.08 CCC), and the real estate excise taxes.
- B. Purchaser shall pay all recording fees to record the Deed (as defined in Section 2), all fees and expenses of Purchaser's attorneys, premiums for any title policy endorsements or extended coverage, pro-rated real property taxes as of the date of closing, any additional taxes, penalties and interest under RCW 84.34.100 triggered by the removal of the Property or the Remainder Tax Parcels from Clark County's Open Space Taxation Program (Chapter 3.08 CCC), and one-half of the closing escrow agent's fee, as well as any survey, environmental audit and other due diligence costs of Purchaser.
- C. The **Property** or a portion thereof, and the Remainder Tax Parcels may be presently designated or classified as forestland, timberland, open space or similar non-ad valorem status for property tax purposes. **Purchaser** shall bear the risk that the **Property** or a portion thereof, or the Remainder Tax Parcels will be removed from such designation or classification as a result of this transaction. If **Purchaser's** acquisition of the **Property** results in a change in the forestland, open space, timberland or similar non-ad valorem tax classification or designation applicable to the **Property** or any portion thereof, or the Remainder Tax Parcels, **Purchaser** shall be solely responsible for all additional taxes, interest, and

- penalties under RCW 84.34.100 resulting from such change in classification or designation, if any.
- D. Real estate taxes shall be prorated as of the date of Closing, with the **Purchaser** responsible for any taxes attributable to all periods after Closing.
- 4. Closing of Sale: The sale shall be closed in the office of Stewart Title, 400 E. Mill Plain Blvd, Suite 105, Vancouver, WA 98660 on or before April 22, 2015, unless the date of Closing is extended in writing by mutual agreement at least ten (10) days prior to April 22, 2015. "Closing", means the date on which all documents are recorded and sale proceeds are available to the Seller. Sale proceeds will not be distributed to Seller until Closing Agent receives the final title insurance policy or a supplemental title report showing good and marketable title as above provided. The Parties shall sign and/or deliver necessary documents or funds when requested by Closing Agent to do so.
- 5. Possession: Purchaser shall be entitled to possession of the Property at the time of closing.
- 6. Access: Purchaser and its architects, engineers, and other agents or designees shall have reasonable access to the Property before Closing for the purpose of making any investigation, test or survey reasonably related to the purchase of the Property.

  Purchaser, its architects, engineers, and other agents or designees shall provide Seller twenty-four (24) hours' notice of anticipated visits to the Property to conduct such investigations, tests or surveys. Prior to Closing, neither Seller nor Purchaser shall allow any liens to attach to the Property. Each party shall indemnify and hold the other harmless from any and all claims or demands which arise from the actions of the party or its agents on the Property. These indemnification and hold harmless obligations shall survive Closing or earlier termination of this agreement.
- 7. Default: For purpose of this paragraph, a "default" is the failure of any party, without legal excuse, to complete the purchase or sale of the **Property**. Time is of the essence of this Agreement.
  - A. By Seller. If Seller defaults prior to closing, Purchaser may terminate this Agreement and receive a refund of the earnest money. Alternatively, at Purchaser's sole option, Purchaser may elect to seek specific performance of this Agreement.
  - B. By **Purchaser**. If **Purchaser** defaults prior to Closing, **Seller's** sole remedy shall be to retain the earnest money as liquidated damages. Such amount has been agreed by both Parties to be reasonable compensation and the exclusive remedy for **Purchaser's** default in that the precise amount of such compensation would be difficult to determine.

#### 8. Contingencies and Conditions:

A. **Purchaser** will arrange and pay for a boundary survey of the **Property** prior to Closing.

- B. Purchaser will arrange and pay for a Level-1 Environmental Site Assessment to be completed within 45 days of signing this Agreement. Within 7 days of receipt of the site assessment, Purchaser may choose to commission a Level-2 Environmental Site Assessment or other detailed studies as needed to investigate potential issues with the Property, or may terminate this transaction at Purchaser's sole discretion, and shall notify Seller of its decision in writing within this 7-day period. Purchaser shall obtain a Level-2 Environmental Assessment or other detailed studies within 30 days of its election to obtain these studies. Purchaser reserves the right to terminate the Agreement within this second 30-day period if the results of the Level-2 Environmental Assessment or other detailed studies, if any, are not acceptable. If Purchaser does not choose to conduct a Level-2 Environmental Assessment or other detailed studies or does not terminate this Agreement by either applicable time period in this Section 8B, then the Earnest Money shall become nonrefundable and released to the Seller.
- C. **Purchaser** will arrange and pay for a toxic and nuisance weed assessment prior to Closing.
- D. Seller shall not alter or damage the condition or character of the Property, prior to Closing, including but not limited to logging, mining, clearing, grading or excavating.
- E. Except as otherwise expressly stated in this Agreement, **Purchaser** is accepting the **Property** on an "as-is with all faults" basis with any and all patent and latent defects, including those relating to the environmental condition of the **Property** and is not relying on any representation or warranties, express or implied, of an kind whatsoever from **Seller** as to any matter concerning the **Property**.
- F. Seller, and its owners, agents, officers, and employees, represent and warrant that that they do not have actual knowledge that there is any contamination, Hazardous or Toxic Substances of any type whatsoever in existence within or upon the Property including, but not limited to, contamination of the soil and or groundwater. "Hazardous or Toxic Substance" shall be interpreted broadly to mean any substance or material listed, defined or designated as a hazardous, toxic radioactive, or dangerous substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time. It shall be interpreted to include, but not be limited to, any chemical compound or substance that is so listed, defined or designated pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (42 USC, Section 9601, et.seq.) the Washington Model Toxics Control Act (RCW 70.105.010, et.seq.), the Resource Conservation and Recovery Act (42 USC Section 6901, et seq.), the Federal Water Pollution Control Act (33 USC Section 1251, et seq.), the

Clean Air Act (42 USC Section 7401, et seq.), the Hazardous Materials Transportation Act (49 USC Section 1471, et seq.), the toxic Substances Control Act (15 USC Sections 2601-29), or the Safe Drinking Water Act (42 USC Sections 300f-300j); and any substance which after release into the environment and upon exposure, ingestion, inhalation or assimilation, either directly from the environment or indirectly by ingestion through food chains or otherwise, will or may reasonably be anticipated to cause sickness, death, disease, behavior abnormalities, cancer or genetic abnormalities. Seller agrees to indemnify, defend, and hold Purchaser harmless from any and all expenses, claims, damages, injury to property or person, or liability incurred as a result of any Hazardous or Toxic Substance that existed on, under, or about the Property as of or prior to Closing, but only if Seller had actual knowledge of such conditions and failed to disclose the conditions to Purchaser

- G. Should **Purchaser** take title to the **Property, Purchaser** will grant **Seller** a drainage easement from the **Seller's** retained property (north portion of tax lot 220010-000) across the northern boundary of the Property to the bottom of the ravine generally as shown on Exhibit B, hereto attached. Said easement shall be coordinated with the approval by the City of Ridgefield of any plat of Seller's retained property (north portion of tax lot 220010-000) and must comply with the National Pollution Discharge Elimination System (NPDES) requirements per the Clark County permit, the City of Ridgefield storm water management regulations, Washington Department of Ecology storm water management recommendations and all other local, state, federal and municipal regulations.
- H. Should **Purchaser** take title to the **Property**, **Seller** will grant **Purchaser** a pedestrian access easement from Sevier Road in the northern portion of tax lot 220010-000 to the northern boundary of the Property acquired by **Purchaser**, subject to approval by the City of Ridgefield as part of any plat of said property.
- I. Seller acknowledges that Purchaser has secured a grant (#12-1504) through the State of Washington Recreation and Conservation Funding Board and will cooperate with Purchaser in order that Purchaser may receive full grant reimbursement for eligible costs. Such cooperation shall not obligate Seller in any way under the grant agreement.
- J. Purchase and Sale of the Property is conditioned upon the approval of Clark County, and if required, the City of Ridgefield, for a lot line adjustment between parcels 220010-000 and 220031-000 or some other lot line configuration in which it is determined that all resulting lots from the boundary line adjustment are legal lots of record, including the **Property** and the property to be retained by **Seller**.
- K. Purchase and Sale of the Property is conditioned upon the approval of Clark County for a boundary line adjustment between parcels 220223-000 and those portions of lots 220031-000 and 220428-000 lying west of the railroad, or some other lot line configuration or segregation, in which it is determined that all

resulting lots from the boundary line adjustment are legal lots of record, including the **Property** and the property to be retained by **Seller**.

L. Purchase and Sale of the Property is conditioned on the Remainder Tax Parcels remaining in Clark County's Open Space Taxation Program (Chapter 3.08 CCC) for the purpose of property tax assessments.

## 9. Continuation and Survival of Representations and Warranties.

All representations and warranties by the respective parties contained in this Agreement or made in writing pursuant to this Agreement are intended to and will remain true and correct as of the time of Closing, will be deemed to be material, and will survive the execution and delivery of this Agreement and the delivery of the Deed and transfer of title for a period of one (1) year after the last of these events to occur. No representations and warranties, however, are assignable, and they do not run with the land, except as may be expressly provided herein.

#### 10. <u>Legal Fees – Venue:</u>

If a lawsuit is commenced, the location of such action shall be in the Superior Court of Clark County, State of Washington, and this Agreement shall be governed by Washington law. The prevailing party in a lawsuit to enforce the terms of this Agreement shall be entitled to recover from the other its reasonable attorney's fees and costs.

#### 11. Notices:

Any notice required to be given or which may be given hereunder shall be in writing and delivered personally or by certified mail to each party at its address below. A notice given personally shall be effective on the date of delivery and a notice given by certified mail shall be effect on the fifth day following its deposit in the United States mail, postage prepaid.

To Seller: WGS LLC

Mason Dorn Swigert, Manager

20101 NE 48<sup>th</sup> Circle Vancouver, WA 98682

360-883-2382

To **Purchaser**: Clark County Department of Environmental Services

Patrick Lee, Legacy Lands Program Coordinator

PO Box 9810 1300 Franklin Street

Vancouver, WA 98666-9810 360-397-2121 ext. 4070

## 12. Confidentiality:

Seller agrees to (a) keep the terms of this Agreement confidential, except as legally required by law and for sale and transfer of the Property; and (b) not use any such confidential information for any purpose other than performance or enforcement of this Agreement. Seller may divulge such confidential information to its current and Page 6 of 10

prospective attorneys, accountants, agents, financial advisors, partners and lenders with a need to know to reasonably conduct its business, conditioned upon Seller advising those parties of the confidential nature of this Agreement, and agreement by those parties to maintain its terms and conditions in confidence and to use them for no other purpose. This provision shall survive Closing.

## 13. Time is of the Essence:

Time is of the essence in this Agreement. Whenever a date specified in this Agreement falls on a Saturday, Sunday, or federal holiday, the date will be extended to the next business day.

#### 14. Effective Date

The date on which the latter of Seller and Purchaser signs the Agreement is the "Effective Date" of this Agreement.

#### 15. Counterparts:

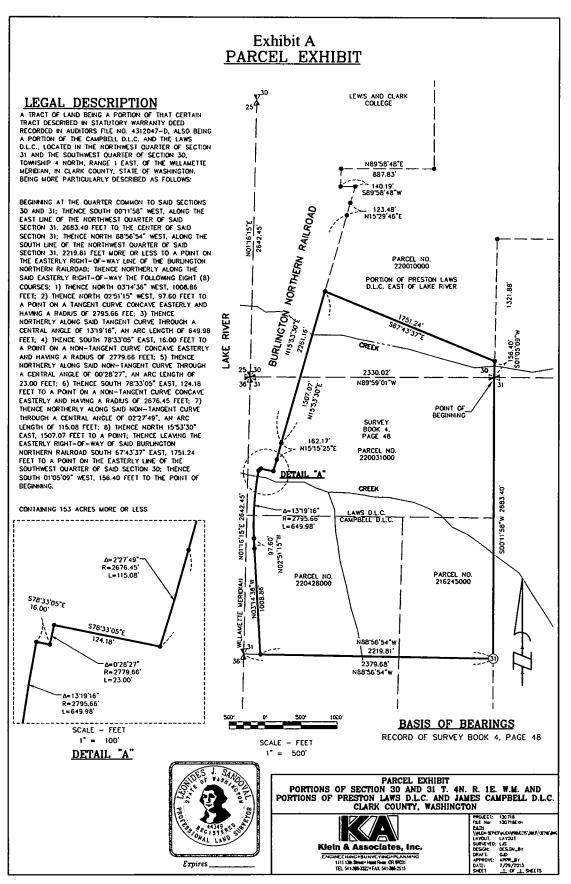
This Agreement may be executed in two or more counterparts, whether by facsimile transmittal, electronic copy or otherwise, and each counterpart shall be deemed to be an original, but all of which together shall constitute one and the same instrument upon delivery of one such counterpart by each party to this Agreement.

#### 16. Integration and Amendment:

This Agreement, including Exhibits A and B, which are attached hereto and incorporated herein, is the entire agreement between the parties on the subject addressed herein, and supersedes all prior negotiations, understandings, and agreements among the parties, whether written or oral, on this subject. This Agreement may be revised by written amendment. An amendment to Section 1, Purchase Price, must be executed by each of the parties hereto. An amendment to any other part of the Agreement must be executed by the Purchaser and the Seller.

PURCHASER:	SELLER:
CLARK COUNTY, WASHINGTON	WGS LLC
By: David Madore, Chair Date: 3 3 5	By: Mason Dorn Swigert Title:
· -	Date:
By: Jeanne E. Stewart, Councilor	OPTIONEE: TAVERNER RIDGE L.L.C.
By: Tom Mielke, Councilor	By: Paul Deboni
	Title:
	Date:
Attest:  Clerk to the Board	
APPROVED AS TO FORM ONLY: Anthony F. Golik, Prosecuting Attorney	
By: White M. Cock	

Sr. Deputy Prosecuting Attorney



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# Exhibit B Drainage Easement

#### WHEN RECORDED RETURN TO:

Clark County Department of Environmental Services PO Box 9810 1300 Franklin Street Vancouver, WA 989666-9810

### **EASEMENT DEED**

GRANTOR: GRANTEE: ABRV. LEGAL DESCRIPTION: ASSESSOR'S TAX PARCEL:

The Grantor, Clark County Washington, a Municipal Corporation, for and in consideration of TEN DOLLARS, and other good and valuable consideration, in hand paid, hereby conveys and warrants unto WGS, LLC, a Washington Limited Liability Corporation, and easement for the purpose of drainage of surplus water over, under and across the following described parcel of real property;

Legal description to be attached after survey

This easement must comply with the National Pollution Discharge Elimination System (NPDES) requirements per the Clark County permit, the City of Ridgefield storm water management regulations, the Washington Department of Ecology storm water management regulations, and all other local, state, federal and municipal regulations. The easement herein conveyed shall be appurtenant to the parcel of real property described in Exhibit 1 attached hereto, and each and every parcel divided therefrom, and shall so remain in perpetuity.

Dated this	day of	, 201
By:		

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