



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 4/20/2021

FOCUS AREA: Legal

STAFF CONTACT: Ron Shaver

SUBJECT: Option contract with Bradley Zimmerman to acquire the Chestnut Fine Arts property.

ITEM DESCRIPTION:

Consideration of a Real Estate Option Contract with Bradley Zimmerman.

SUMMARY:

On February 11, 2019, ODL, LLC entered into a real estate sale contract (Attachment A) with Bradley Zimmerman to acquire Mr. Zimmerman's property at 234 N. Chestnut and 211 E. Poplar Street, collectively known as Chestnut Fine Arts. On October 6, 2020, the City Council approved an assignment of the contract to purchase Chestnut Fine Arts from ODL, LLC. This assignment was made when it was anticipated that the Chestnut Fine Arts property may be needed as part of the new Downtown Library project and so that the City could retain control of the future development of the entire block where the Library project would be built.

The rezoning and preliminary site development plan were recommended for approval by the Planning Commission on Monday, April 12, 2021. As design for the Library has evolved, it has become apparent that the Library can be developed without having to acquire Chestnut Fine Arts. As a result, City staff has engaged in conversations with Mr. Zimmerman about the assigned real estate contract. As a result of these conversations, Mr. Zimmerman has agreed to an amendment of the assigned real estate contract in its entirety so that the City would have a purchase option to buy Mr. Zimmerman's property, rather than a purchase obligation. The Real Estate Option Contract is included as Attachment B.

FINANCIAL IMPACT:

The City would pay Mr. Zimmerman \$10,000 for the purchase option right.

ACTION NEEDED:

Approve the Real Estate Option Contract with Bradley Zimmerman.

ATTACHMENT(S):

- A. Zimmerman Real Estate Sale Contract
- B. Zimmerman Real Estate Option Contract