

The City Council passed Ordinance No. 9337 on February 22, 2022, which approved a Real Estate Sale Agreement between the City and Archview Properties, LLC (“**Archview**”), for the sale of the Property, which was executed by the parties on February 23, 2022 (the “**Agreement**”). Archview has requested an extension of the “Approvals Period,” as defined in the Agreement, to expire on December 31, 2022, with two 30-business-day extension periods which may be exercised at the option of Archview upon the payment of additional Earnest Money, as defined in the Agreement.

Archview provided this explanation as the basis of the requested extension of the Approvals Period: “We are experiencing extreme backlog with architects, not just on this project, but on all projects nationwide. This summarily is delaying our construction documents, approvals, and ability to obtain pricing. We have asked other qualified architectural firms about this and their turnaround times are even longer than our architects. As such, it’s not just the labor market for construction that is tight, it’s the design side too, and multifamily projects like this take a lot of design time. All of this is summarily thrusting upon us external delays which hinder our ability to push the approvals process forward and thereby will require more time to get through.”

Impact/Analysis:

The City will sell the Property for fair market value pursuant to the Real Estate Sale Agreement. The sales price will be maintained as a closed record, as allowed by Section 610.021(2) of the Revised Statutes of Missouri, until the transaction closes. This is to maintain the sales price as a closed record in the event that the transaction set forth in the Agreement fails to close and the City seeks to sell the property to another buyer at a later date. Disclosure of the current sales price might adversely affect the sales price to a different buyer, in the event the pending transaction under the Agreement that is authorized by this Ordinance fails to close.

The extension has this effect on the Agreement:

Original	Execution	Due Diligence 90 Days	Approvals Period 120 Days	Two Possible 30-Business Day Extensions	Closing
	February 23, 2022	May 24, 2022	September 21, 2022	December 16, 2022	December 21, 2022

With Amendment	Execution	Due Diligence 90 Days	Approvals Period	Two Possible 30-Business Day Extensions	Closing
	February 23, 2022	May 24, 2022	December 31, 2022	March 4, 2023	March 15, 2023

Archview will pay the same amount under the Amendment for exercising the two 30-business-day extension periods, which payments are non-refundable if Archview elects to terminate the Agreement.

Timeline:

The Agreement sets forth time periods for due diligence and seeking governmental approvals by the Buyer, and would close during 2023.

David Bushek, Chief Counsel of Economic Development & Planning

Recommendation: Staff recommends approval of the ordinance in accordance with the prior directions of the

City Council.