

## City Council – Action Request Form

**Date:** August 14, 2017

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**To:** The City Manager

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**From:** S. Kirk Bjorling, Real Estate Administrator

**Council Action Requested:**

Consideration of a Resolution Granting an Extension of Time to Greater Tabernacle Worship Center to Satisfy the Conditions of Purchase of 20 Acres of Land Located on Old Walkertown Road Authorized by City Council on March 25, 2013 (Northeast Ward)

**Summary of Information:**

On August 20, 2007, the City Council authorized the sale of 33.14 acres of vacant land on Old Walkertown Road to Tabernacle of Faith Church of the United Evangelical Outreach Ministries, Inc. (Tabernacle Church) based on N.C.G.S. 160A-269, an upset bid procedure. The agreed upon sale price was \$594,000. The church planned to use the property for a multi-purpose arena, training center, retirement housing, and new sanctuary.

On July 19, 2010, the City Council authorized an amendment to the original sale agreement. Tabernacle Church requested that their name be removed from the sales contract and replaced with the name Tabernacle Community Development Corporation (Tabernacle CDC). In addition, Tabernacle CDC requested an 18 month extension to the original contract which would allow them time to obtain financing to purchase the 33.14 acre tract of land. City Council authorized amending the original 18 month agreement to allow for an extension which would allow Tabernacle CDC additional time in which to arrange financing, but with the condition that substantial progress must be achieved during the extension period or the contract agreement would be voided and entire deposit forfeited.

On March 26, 2012, the City Council authorized allowing Tabernacle CDC an additional six months extension until September 26, 2012 to obtain financing for the previously approved purchase of 33.14 acres of land.

**Committee Action:**

<b>Committee</b>	Finance 8/14/17	<b>Action</b>	Approval
<b>For</b>	Unanimous	<b>Against</b>	

**Remarks:**

On August 20, 2012, Tabernacle CDC requested, and City Council approved, a modification of the previously approved sale conditions. This modification decreased the amount of land sold from 33.14 acres to 20 acres and the sale price decreased from \$594,000 to \$360,000. The per acre sale price remained the same at \$18,000 per acre. As part of the sale modification, Tabernacle CDC also requested a three month extension, until December 26, 2012, to obtain financing.

On March 25, 2013, the City Council reduced the sale price to \$200,000 or \$10,000 per acre and determined that the sale would be based on N.C.G.S. 160A-279, a sale to an entity carrying out a public purpose. The entity's name was changed from Tabernacle CDC to Greater Tabernacle Worship Center (Greater Tabernacle). Since the sale was authorized to an entity carrying out a public purpose, a number of restrictive covenants or conditions were placed on the sale to ensure that the property would be put to a public purpose use by Greater Tabernacle. Upon completion of a facility to be built on the site, Greater Tabernacle committed to improving educational attainment, health, human welfare, and recreational activities in the Winston-Salem Forsyth County Community by making the facility available to the public for senior programming, recreation, and various community development activities.

The purchase of the 20 acre site was closed on August 27, 2013. One of the conditions of the sale was that Greater Tabernacle would have construction of the new facility completed, a Certificate of Occupancy acquired, and the programs for the benefit of the public implemented, to the satisfaction of the City, within 36 months of the deed filing, or by August 27, 2016. The required conditions have not taken place since the purchase. The Restrictive Covenants and Conditions contained in attached Exhibit B do provide that the City Council retains the right to extend the length of time that Greater Tabernacle has to satisfy the covenant and restrictions if it chooses. The Restrictive Covenants and Conditions also provide that if Greater Tabernacle fails to meet the conditions of sale, the City may choose to purchase the property back or to allow the City to re-enter and terminate the conveyance.

Greater Tabernacle is now requesting from the City Council an additional three year extension of time to complete the construction of the facility as provided in paragraph seven of Exhibit B of the deed of purchase. The extension of time to satisfy the condition in Exhibit B of the deed may not cumulatively or individually extend beyond ten years from the date of the filing of the deed on August 27, 2013.

The attached resolution authorizes the extension of time to satisfy certain conditions of sale as specified herein.