# City Council – Action Request Form

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| **Date:** | June 10, 2019 |
| **To:** | Mayor, Mayor Pro Tempore, and Members of the City Council |
| **From:** | Lisa M. Saunders, Chief Financial Officer<br>Evan Raleigh, Assistant City Manager |

**Council Action Requested**:

Resolution Authorizing an Extension of the Terms and Conditions of the City's Financing of the Sale of City-Owned Land to Brookstown Development Partners, LLC and an Extension of the City's Lease Back of the Subject Land (Northwest Ward)

**Strategic Focus Area:** Service Excellence
**Strategic Objective:** Maintain Financial Strength
**Strategic Plan Action Item:** No
**Key Work Item:** No

**Summary of Information**:

On June 17, 2009, the City Council authorized the sale of City-owned land being Tax Block 0098, Lots 003A, 101A, 201, 003B, 101C, 202A, 211, (Tax PIN's 6825-95-6417, 6825-95-7424, and 6825-95-5558) and Tax Block 0103, Lots 106 and 107 (Tax PIN 6825-95-0940) to Brookstown Development Partners, LLC (Brookstown) to be used as part of a mixed-use development, part of the Brookstown Development project. A Map is included in Exhibit B. The City financed the $980,361 purchase of the land for five years at 5½ percent interest. This action also authorized a lease back by the City of the land sold, for a term of five years or the date by which the loan was to be paid, whichever came first, at fair market value, the amount of which would not exceed the annual interest payment.

On September 15, 2014, the promissory note and lease were extended for an additional five years. Brookstown is now requesting that the outstanding balance of $880,361 be extended for another five years with $25,000 principal reduction payments being made annually. Brookstown would also continue to lease the land back to the City for a term of five years under the same terms as originally agreed upon.

The attached resolution authorizes an extension of the City's financing of the land sale and land lease back as described herein and further detailed in Exhibit A.

**Committee Action:**

| **Committee** | Finance 6/10/19 | **Action** | Approval |
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| **For** | Unanimous | **Against** | |
| **Remarks:** | | | |