

## RESOLUTION

**WHEREAS**, the City of Memphis, under Contract No. 15428, dated June 29, 2001, has contracted with the Riverfront Development Corporation (RDC) for the operation of Mud Island River Park and ten other city-owned parks: and

**WHEREAS**, Contract No. 15428, with an expiration date of June 30, 2011 has two more years to run and for FY 2010, said contract called for funding in the amount of \$2,607,258; and

**WHEREAS**, due to financial and economic considerations, the approved City of Memphis Operating Budget for FY 2010 appropriates only \$2,213,920 for this contract, which represents a shortfall of \$393,338; and

**WHEREAS**, funding of the contract in the amount of \$2,213,920 will preclude RDC from executing its legal responsibilities under the contract; and

**WHEREAS**, in July 2002, the Council of the City of Memphis did agree to transfer 11.04 acres of City-owned property located on Mud Island to the Riverfront Development Corporation (RDC) with the understanding said property would be sold for development; and

**WHEREAS**, the Council of the City of Memphis, did at the same time, agree that the proceeds of such sale could be utilized by RDC for the development of a second City-owned site on Mud Island; and

**WHEREAS**, circumstances now preclude the development of this second site; and

**WHEREAS**, the net proceeds from the aforementioned sale of property, in the amount of \$834,449.47, are currently held in a restricted account by RDC; and

**WHEREAS**, the Council of the City of Memphis, during the FY2010 Budget Hearings, discussed the availability and use of these funds for this purpose; and

**WHEREAS**, the Council of the City of Memphis recognizes that Contract No. 15428 is a legal agreement and that funding at a reduced level precludes RDC from executing its legal responsibilities under the agreement.

**NOW, THEREFORE BE IT RESOLVED** by the Council of the City of Memphis that the aforementioned property sale net proceeds, in the amount of \$393,338.00, may be utilized by RDC to cover any funding shortfalls in Contract No. 15428 that may occur in FY 2010, with the remainder and any accrued interest to be transferred to the reserve fund of the City of Memphis.