

RESOLUTION

WHEREAS, the Memphis Housing Authority (MHA) was awarded a \$22,000,000 HOPE VI Grant on May 27, 2010 by the U.S. Department of Housing and Urban Development for the Cleaborn Homes Development; and

WHEREAS, the planning and implementation process is underway for the Cleaborn Homes public housing development, and as critical tasks consist of the completion of the master plan; relocating remaining households from Cleaborn; site demolition; development of a LIHTC application; feasibility of off-site property acquisition; planning for the Phase I financial closing and construction; and planning for Phase 2 development activities; and

WHEREAS, to move forward with Phase 2 development activities, MHA must demonstrate site control of the parcels identified for development by March 1, 2011 in its LIHTC Application to THDA; and

WHEREAS, the City of Memphis is the owner of approximately 6.3 acres of real property; known as L.E. Brown Park (hereafter "Park") located at 617 South Orleans near the southeast corner of the Cleaborn Homes site, a 34 acre, 466-unit public housing development owned and operated by the Memphis Housing Authority; and

WHEREAS, a portion of said real property is known as Ward 11, Block 23, Parcel 2 as more particularly described in Exhibit "A" attached hereto; and

WHEREAS, the MHA and City of Memphis have negotiated an Option Agreement, a copy of which is attached hereto as Exhibit "B" to purchase a portion of park land connected to L.E. Brown Park from the City in accordance with City Ordinance No. 4763 upon notification of award of the HOPE VI Grant from HUD and sell the City adjacent land to make the Park whole; and

WHEREAS, the MHA shall use said parcel for the development of the first residential phase of the Cleaborn Homes HOPE VI Project.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Memphis that the City of Memphis, through the Division of Park Services, is hereby authorized to execute the attached Option Agreement and to sell a portion of L.E. Brown Park and the City owned land adjacent to the Park to the Memphis Housing Authority to make the Park whole and to execute any other related documents necessary to effectuate this action.

EXHIBIT "A"
LEGAL DESCRIPTION

EXHIBIT A

L. E. Brown Park Legal Description

Part of the Plan of F. W. Smith Subdivision, Plat Book 1, Page 23, of Lots 10 and 12, and part of lot 11 of the Willo Williams Tract Subdivision (unrecorded), as recorded in the Shelby County Registers Office, more particularly described as follows:

Beginning at a point in the west line of South Orleans Street, at its intersection with the south line of a 15' foot alley (said alley also known as Alley "J", Memphis Housing Authority-Project No. TENN I-8), said point being 161' feet more or less from the south line of St. Paul Street as measured along the west line of South Orleans Street, thence westwardly on a bearing of South 83 degrees, 59 minutes, 58 seconds West, 575.40' feet (called distance of 569.10' feet) to a point on the east side of St. Johns Street (closed, 45' feet wide), thence southwardly on a bearing of South 04 degrees, 59 minutes, 00 seconds East, 285.8' feet to a point of deflection in the east line of St Johns Street, thence continuing southwardly along the east line of St. John Street on a bearing of South 01 degrees, 46 minutes, 00 seconds East, 173.22' feet to a point in the north line of a 15' foot alley, the first alley north of Georgia Avenue (said alley also known as Alley "P", Memphis Housing Authority-Project No. TENN I-8), thence eastwardly along the north line of said alley on a bearing of North 83 degrees, 29 minutes, 14 seconds East, 596.2' feet (called distance of 570'+ feet) to a point in the west line of Orleans Street (45' feet wide), thence northwardly along the west line of South Orleans Street on a bearing of North 06 degrees, 17 minutes, 54 seconds West, a distance of 69.03' feet to a point of deflection in the west line of South Orleans Street, thence continuing northwardly along the west line of South Orleans Street a distance of 384.06' feet more or less (a total called distance of 419.1' feet) to the point of beginning, containing 6.13 acres more or less (a calculated acreage of 6.098 acres).

EXHIBIT B

OPTION AGREEMENT BETWEEN THE CITY OF MEMPHIS AND THE MEMPHIS HOUSING AUTHORITY

This **OPTION AGREEMENT**, is made this _____ of _____, 2011 by and between the **Memphis Housing Authority**, hereinafter "MHA" and the **City of Memphis, Tennessee**, hereinafter "City".

WITNESSETH

1. **Grant of Option.** In consideration of the sum of Ten Dollars (\$10.00) and for other good and valuable consideration, City hereby grants MHA the exclusive option to acquire the Premises more particularly described in Paragraph 2 below as the Option Premises provided that MHA grants City ownership of the land adjacent to the Option Premises upon the exercise of such Option in an effort to make the L.E. Brown Park whole, and further provided that such land is the equivalent fair market value of the Option Premises.

2. **Description of Option Premises.** The Option Premises is described as follows:

Being a portion of L. E. Brown Park, Memphis, Tennessee 38104.

Parcel 2, Ward 11, Block 23

3. **Exercise/Expiration of Option.** MHA must give written notice to the City on or before June 30, 2013, and deposit an additional Ten Dollars (\$10.00) with the City of Memphis to exercise this Option. If not sooner exercised, this Option shall expire on June 30, 2013 and shall thereafter be null and void.

4. **Escrow Agent.** The Ten Dollars (\$10.00) to be paid upon execution of this Agreement and the Ten Dollars (\$10.00) to be paid on exercise of this Option shall be paid to the City of Memphis.

5. **Failure to Exercise Option.** If MHA does not exercise this option as herein provided, the sum of Ten Dollars (\$10.00) paid by MHA upon the execution of this Agreement shall be retained by City, free of all claims of MHA, and neither party shall have any further rights or claims against the other. Furthermore, if this Option is not exercised, MHA agrees that copies of all surveys, engineering studies and other like information related to the Option Premises will be delivered by MHA to the City of Memphis Division of Park Services and shall thereafter be the property of the City.

6. **Notice of Exercise of Option.** Notice of the exercise of this Option shall be given to City in person or by mailing a copy thereof, postage prepaid, to City at the address specified below or at such other address that City shall hereinafter specify in writing delivered to MHA. If this Option is exercised, City shall sell and convey the Option Premises to MHA, and MHA shall purchase and accept the Option Premises from City, subject to the terms and conditions

2997 Avery
Memphis, TN 38104

With copy to:

City Attorney
City of Memphis
125 N. Main Street Room 336
Memphis, TN 38103

12. **Construction.** The interpretation, construction, and performance of this contract shall be governed by the laws of the State of Tennessee.

13. **Benefit.** This option shall inure to the benefit of and shall bind the heirs, successors, and assigns of the respective parties.

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IN WITNESS WHEREOF, the parties, by and through their duly authorized representatives, have executed this Option Agreement Between the City of Memphis and Memphis Housing Authority.

CITY OF MEMPHIS, TENNESSEE

Approved as to Form:

City Attorney

By: _____
AC Wharton, Jr., Mayor

DIVISION OF PARK SERVICES

By: _____
Cynthia Buchanan, Director

MEMPHIS HOUSING AUTHORITY

Approved as to form:

Gregory L. Perry, Senior Attorney
Memphis Housing Authority

By: _____
Robert Lipscomb, Executive Director

GENERAL SERVICES DIVISION

By: _____
Deborah Daniels, Real Estate Manager