CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number_____

Meeting Type: Regular

Meeting Date: 10/23/2014

Action Requested By:
Community
Development

Agenda Item Type

Resolution

Subject Matter:

Agreement between the City of Huntsville and Family Services Center, Inc., to transfer property ownership of 2020 Boardman Street.

Exact Wording for the Agenda:

Resolution authorizing the Mayor to enter into a contract with Family Services Inc., to convey ownership of 2020 Boardman Street for the purpose of constructing a new HOME Investment Partnership funded home.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow
and accomplish and; any other information that might be helpful.

This action will allow construction to begin on 1 new house in the Lowe Mill Neighborhood using HOME Investment Partnership Grant funding.

Associated Cost: 0

Budgeted Item: Yes

MAYOR RECOMMENDS OR CONCURS: Select...

Department Head: _____ Date:

revised 4/13/2011

ROUTING SLIP
CONTRACTS AND AGREEMENTS

Originating Department: **Community Development** Council Meeting Date: **10/23/2014**

Department Contact: **Scott Erwin** Phone # **256-427-5423**

Contract or Agreement: **Contract**

Document Name: **Real Estate Contract**

City Obligation Amount:

Total Project Budget:

Uncommitted Account Balance:

Account Number:

Procurement Agreements

Select...	**Select...**

Grant-Funded Agreements

Federal HUD	**Grant Name:** HOME Investment Partnership Grant

Department	Signature	Date
1) Originating	[illegible]	10/9/14
2) Legal	Mary C Cates	10/14/14
3) Finance	[illegible]	10/14
4) Originating		
5) Copy Distribution		
a. Mayor's office (2 copies)		
b. Clerk-Treasurer (Original & 2 copies)		
c. Legal (1 copy)		

Revised 04/15/2011

RESOLUTION NO. 14 - _____

WHEREAS, the City of Huntsville desires to sell and convey certain real property for the purpose of constructing new single family housing using grant funds from the United States Department of Housing and Urban Development (HUD); and

WHEREAS, the City desires to receive matching fund credit from the value of said property toward its required grant match amount for the HOME Investment Partnership grant.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Huntsville, Alabama that the Mayor be and he is hereby authorized to enter into a real estate sales contract with Family Services Inc., on behalf of the City of Huntsville, which said Agreement is substantially in words and figures similar to that certain document attached hereto and identified as "Real Estate Contract", consisting of three (3) pages, and the date of October 23, 2014, appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the office of the City Clerk-Treasurer of the City of Huntsville, Alabama; and

BE IT FURTHER RESOLVED, that the Mayor and the Clerk-Treasurer shall be authorized to execute any and all further documents as necessary to complete the closing on the said real property.

ADOPTED this the _____ day of _____, 2014.

_____
President of the City Council of
the City of Huntsville, Alabama

APPROVED this the _____ day of _____, 2014.

_____
Mayor of the City of Huntsville,
Alabama

STATE OF ALABAMA)
)
COUNTY OF MADISON)

REAL ESTATE CONTRACT

THIS REAL ESTATE CONTRACT ("Contract") is made and entered into as of the 23rd day of October, 2014, by and between THE CITY OF HUNTSVILLE, ALABAMA, as Owner, and FAMILY SERVICES CENTER, INC., as Purchaser.

WITNESSETH:

FOR AND IN CONSIDERATION of the Purchase Price set forth below, Owner agrees to sell and convey to Purchaser, and Purchaser agrees to purchase from the Owner, upon the agreements, covenants, conditions, provisions and terms set forth herein, the property more particularly described as follows:

Lot 10, Block 167 of the Lowe Corporation Addition, Plat Book 1, Page 166, located at 2020 Boardman Street SW, Huntsville, Madison County, Alabama 35805-3832

(the "Property") on the following terms and conditions:

1. Purchase Price and Method of Payment: The ownership of the above referenced property shall be transferred to Family Services Center, Inc. As consideration for this transaction, the Owner shall receive a credit of $6,000 toward its matching fund obligation for the use of HOME funds from the United States Department of Housing and Urban Development by the Purchaser for the acquisition and rehabilitation of the Property.

2. Closing Date: This transaction shall close on a business day mutually agreeable to Owner and Purchaser within thirty (30) days of the approval of this agreement by the City Council of the City of Huntsville. *Time is of the essence*.

3. Closing Costs: Closing costs will be borne by the Purchaser.

4. Prorations: All rents, taxes and other monetary obligations attributable to the Property shall be prorated at Closing based on the actual number of days which have elapsed between the inception of each such obligation and the Closing Date.

_____
President of the City Council of
the City of Huntsville, Alabama

5. Title/Warranty Deed: At Closing, Owner shall execute and deliver, and furnish to Purchaser, an Alabama general warranty deed (prepared by Owner's counsel) ("Warranty Deed") to and for the Property, free from any and all liens and encumbrances except for (i) the liens for the current and future ad valorem taxes, (ii) applicable zoning ordinances, subdivision regulations and other applicable land use laws, rules and regulations, (iii) existing and recorded restrictions, (iv) easements and minimum building lines of record, and (v) matters of survey (said items (i), (ii), (iii), (iv) and (v) collectively are the "Permitted Title Exceptions"). Purchaser shall be responsible for examining title to the Property and obtaining evidence of said title, whether in the form of a title opinion, title insurance or otherwise.

6. Possession: Possession shall be given on the Closing Date.

7. Closing Conditioned Upon Appraisal: Purchaser's obligation to close is expressly conditioned on the satisfaction of the following condition: the appraisal to be performed on the Property by Robert E. Garrett, MAI, must value the property at or greater than the Purchase Price set forth in Section One herein.

8. Real Estate Commission: Neither Owner no Purchaser have employed any real estate agent or broker regarding the Property and/or the transaction evidenced hereby. Consequently, neither Owner nor Purchaser shall have any duty, liability, obligation, or responsibility to any person, firm or entity for payment of any broker's fee, commission, finder's fee, sales commission or other compensation, regarding the Property and/or the transaction evidenced hereby. The Owner or Purchaser causing, creating, permitting and/or suffering any such duty, liability, obligation or responsibility for such commissions, fees, or other compensation shall forever protect, defend, indemnify and hold harmless the remaining Owner and Purchaser from and against any and all such duty, liability, obligation, and responsibility.

9. Survival: Any agreements, covenants, conditions, provisions and terms contained in and made pursuant to this Contract not performed at the time of the delivery of the Warranty Deed for the Property from Owner to Purchaser, shall survive (a) the execution and delivery of this Contract, (b) the execution and delivery of the Warranty Deed for the Property from Owner to Purchaser, and (c) the consummation of the transaction evidenced hereby, and shall be fully enforceable by Owner, by Purchaser, and by their respective heirs, personal representatives, successors and assigns, by the remedies set forth in this Contract.

10. Applicable Law/Jurisdiction/Venue: This Contract shall be interpreted, construed and enforced in accordance with the laws of the State of Alabama. For any action concerning this Contract and/or the Property (a) jurisdiction shall be in the appropriate state or federal courts sitting in Alabama and (b) venue (i) in Alabama state courts shall be in Madison County, Alabama and (ii) in Alabama federal courts shall be in the United States District Court for the Northern District of Alabama, Northeastern Division.

11. Costs: In the event of any default by any party as to any duty, warranty, or undertaking owed to another party, which default results in legal proceedings, the party adjudged to be in default shall pay, in addition to such other sums as may be due hereunder, the legal costs and expenses of such legal proceedings, including without limitation a reasonable attorney fee.

12. Entire Agreement: This Agreement embodies the entire agreement and understanding of the Owner and Purchaser as to the transaction contemplated and evidenced hereby and merges herein all agreements, covenants, representation, statements and understandings heretofore made by and between Owner and Purchaser as to such transaction, whether written, oral or both. Any agreements, covenants, representations, statements or understandings by and between Owner and Purchaser as to such transaction not contained herein are and shall be null and void and of no force and effect.

13. Construction: This Agreement shall be construed in its entirety to its plain meaning and shall be considered as a negotiated agreement and shall not be construed against the party who provided or drafted it.

14. Amendment: Owner and Purchaser hereto expressly, intend and understand that neither this Agreement not any provision or term hereof, shall be amended, changed or modified in any respect, nor may any estoppels, novation or waiver regarding the same be effectuated, without the parties first executing a writing, in equal dignity to this Agreement, embodying their complete and full agreement and understanding as to such amendment, change, modification, novation or waiver.

15. Miscellaneous: This Contract states the entire agreement between Owner and Purchaser as to the Property and the transaction evidenced hereby, and merges herein all prior and contemporaneous agreements, conditions, covenants, representations, statements and warranties heretofore made by Owner or Purchaser regarding the same, whether oral or written. Any other such agreements, conditions, covenants, representations, statements and/or warranties not incorporated herein are null and void and of no force and effect.

16. Remedies: Upon default by either party, the non-defaulting party shall have the right to pursue any and all remedies available at law or in equity.

17. Title Insurance: An enhanced owner's title insurance policy will be furnished at closing as part of this contract. The premium for the title policy and simultaneous issuance fee will be split equally between the Seller and the Purchaser. Title examination fees are part of the closing costs.

OWNER:

ATTEST:

THE CITY OF HUNTSVILLE, ALABAMA

_____
Charles E. Hagood
Clerk-Treasurer

By:_____
Tommy Battle
Mayor

PURCHASER

ATTEST:

FAMILY SERVICES CENTER, INC.

_____

By:_____