

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON, WISCONSIN

CDA Resolution No. 4018

Amending the terms of the Purchase and Sale Agreement with Madison Community Health Center, Inc. ("Access") for the sale of a parcel of land within the boundaries of The Village on Park for the construction of a health care facility.

Presented February 14, 2013
Referred _____
Reported Back _____
Adopted February 14, 2013
Placed on File _____
Moved By Daniel Guerra
Seconded By Timothy Bruer
Yeas 6 Nays 0 Absent 1
Rules Suspended _____

PREAMBLE

The Community Development Authority of the City of Madison (the "CDA") adopted a resolution (CDA Resolution No. 3057) on December 8, 2011 which authorized the execution of a Purchase and Sale Agreement (the "PSA") with Madison Community Health Center, Inc. ("Access") for the sale of a parcel of land (the "Property") within the exterior boundaries of The Village on Park to enable Access to construct a health care facility. The PSA was executed by the parties on March 19, 2012. The CDA has approved two amendments to the PSA (CDA Resolution No. 3076 and CDA Resolution No. 4010 adopted on March 8, 2012 and November 8, 2012 respectively). The parties now desire a third amendment to the PSA that will result in a change in the calculation of the purchase price. The PSA currently requires that the purchase price for the Property will be calculated by multiplying the square feet in the Property by \$14.50 per square foot. The square footage of the Property would be determined by a Certified Survey Map ("CSM") to be provided by the CDA. For purposes of the PSA it was estimated that the Property would be approximately 50,000 square feet which would calculate to a purchase price of \$725,000. The CSM determined that the Property contained 52,827 square feet which would calculate to a purchase price of \$765,991.50.

As part of its due diligence on the parcel Access has received an estimate that the costs to remove contaminated soils from the site would be \$261,000. Access has applied for an \$167,000 grant from the Wisconsin Department of Natural Resources to pay for most of the remediation costs. Access has also requested that the CDA contribute funds to help defray the remaining balance of the costs. Adoption of this resolution will amend the PSA to calculate the purchase price of the Property using 50,000 square feet rather than the 52,827 square feet as determined by the CSM. This will reduce the Purchase Price by \$40,991.50. The savings resulting from the reduction of the purchase price will be used by Access towards its remediation costs.

NOW THEREFORE BE IT RESOLVED that the CDA hereby authorizes an amendment to the PSA as follows:

Paragraph 5. Purchase Price. of the PSA shall be amended to read as follows:

"The "Purchase Price" for the Property shall be Seven Hundred Twenty-five Thousand Dollars (calculated by multiplying 50,000 square feet in the Property by \$14.50 per square foot). The Purchase Price shall be paid in cash or by immediately available funds delivered by wire transfer at closing, subject to the adjustments and prorrations herein provided."

BE IT FURTHER RESOLVED that the Chair and Executive Director of the CDA are authorized to execute any and all documents and to take such other actions as shall be necessary to accomplish the purposes of this resolution.