City of Madison

Legislation Text

File #: 65936, **Version:** 1

Fiscal Note

This resolution defers $75,895.93 in principal payments for 2021 on land contracts between the City and owners/operators of the Hartmeyer and Madison Ice Arenas. These land contracts were first initiated in 2004 for a total of $1.1 million and were restructured / refinanced in 2011 and 2017 (see RES-17-00596 / Legistar 47680). This principal deferral will increase interest payments to the city over the life of the loan by $4,535.87 for Hartmeyer and $3,690.74 for Madison Ice. See attached schedule for annual principal and interest payments, including scheduled balloon payment.

Title

Authorizing amendments to the land contracts entered into between the City of Madison and Hartmeyer LLC and Madison Ice MIA LLC for the purchase of the Hartmeyer and Madison Ice Arenas to modify the repayment schedules

Body

WHEREAS, in 2004 the City of Madison entered into land contracts with Madison Ice Hartmeyer, LLC and Madison Ice MIA, LLC (together, the "LLCs") for the ownership and operation of the Hartmeyer and Madison Ice Arenas (together the "Land Contracts"); and

WHEREAS, due to the impacts of COVID-19, the LLCs are unable to make payments for the year 2021; and

WHEREAS, the LLCs have requested a modification to the repayment schedules on the Land Contracts to defer 2021 principal payments totaling $75,895.93 in principal into equal payments until July 2027 as shown on Exhibit A.

NOW THEREFORE BE IT RESOLVED, that the Common Council authorizes an amendment to the Land Contracts executed between the City of Madison and Madison Ice Hartmeyer, LLC and Madison Ice MIA, LLC to incorporate the payment schedule on attached Exhibit A.

BE IT FURTHER RESOLVED, that any other terms and conditions shall remain in full force and effect.

BE IT FINALLY RESOLVED, that the Mayor and City Clerk are authorized to execute amendments to the Land Contracts, and any other documents necessary to effectuate the transaction in a form to be approved by the City Attorney.