



Legislation Details (With Text)

File #:	76480	Version:	1	Name:	11540 - Owl's Creek Option to Purchase Amendments
Type:	Resolution	Status:	Passed		
File created:	2/28/2023	In control:	Economic Development Division		
On agenda:	3/21/2023	Final action:	3/21/2023		
Enactment date:	3/24/2023	Enactment #:	RES-23-00264		
Title:	Authorizing the City's execution of two First Amendments to Option to Purchase, one between the City of Madison and Tri-State Custom Construction LLC, and one between the City of Madison and Gold Star Real Estate, LLC, for the purpose of extending the City of Madison's options to repurchase certain vacant residential lots within Owl's Creek Subdivision. (AD 16)				
Sponsors:	Jael Currie				
Indexes:					
Code sections:					
Attachments:	1. 11540 Resolution Exhibit - Amendments.pdf, 2. File ID 63906, 3. File ID 63907				

Date	Ver.	Action By	Action	Result
3/21/2023	1	COMMON COUNCIL	Adopt Unanimously	Pass
3/13/2023	1	FINANCE COMMITTEE	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
3/7/2023	1	COMMON COUNCIL	Refer	Pass
2/28/2023	1	Economic Development Division	Referred for Introduction	

Fiscal Note

The proposed resolution authorizes amendments to two separate Option to Purchase agreements related to lots within Owl's Creek Subdivision. As part of the sale for these lots, the City has the option to purchase back lots on which developers did not complete construction of single-family dwellings. The agreements are amended to allow the developers more time to complete construction of new homes. No additional City appropriation required.

Title

Authorizing the City's execution of two First Amendments to Option to Purchase, one between the City of Madison and Tri-State Custom Construction LLC, and one between the City of Madison and Gold Star Real Estate, LLC, for the purpose of extending the City of Madison's options to repurchase certain vacant residential lots within Owl's Creek Subdivision. (AD 16)

Body

WHEREAS, pursuant to the terms detailed in two Purchase and Sale Agreements ("Agreements") authorized by File ID No. 63906, Resolution Enactment No. RES-21-00150, and File ID No. 63907, Resolution Enactment No. RES-21-00151, both adopted by the City of Madison ("City") Common Council on February 23, 2021 ("Resolutions"), in 2021 the City sold certain vacant residential lots within Owl's Creek Subdivision ("Lots") to two smaller-scale home builder/developer enterprises, being Tri-State Custom Construction LLC, and Gold Star Real Estate, LLC (together, "Sellers"); and

WHEREAS, the Agreements included Options to Purchase ("Options"), giving the City the option to purchase any of the Lots on which the Sellers did not complete construction of single-family residential dwellings within

two years of the date the Seller's purchased the Lots from the City; and

WHEREAS, as stated in the Resolutions, the City's goals in disposing of the Lots include providing "stability to the Owl Creek neighborhood, construction jobs in a time of economic challenge, and provide the City with revenue to reinvest in affordable housing" ("Goals"); and

WHEREAS, while both Sellers have completed and continue to construct homes on the Lots, both Sellers report challenges related to COVID-19 during 2021-2022, including the availability of building materials and skilled labor, slowed their progress toward completing the required new homes within the initial two year period; and

WHEREAS, the Sellers have each requested more time to complete the construction of new homes on their respective Lots; and

WHEREAS, in order to continue the progress toward achieving the City's Goals and grant the Sellers more time to complete construction, City Office of Real Estate Services staff support amending the Options to extend their respective expiration dates by up to two years, as detailed in attached Exhibit - Amendments ("Amendments").

NOW, THEREFORE, BE IT RESOLVED that the City's Common Council hereby authorizes the City's execution of the Amendments subject to materially, though not exclusively, the terms and conditions found in the Amendments, on a form and in a manner that has been approved by the City Attorney.