



Louisville Metro Government

Legislation Text

File #: R-033-19, Version: 2

RESOLUTION NO. _____, SERIES 2019

A RESOLUTION DETERMINING CERTAIN PROPERTY AS SURPLUS AND NOT NEEDED FOR A GOVERNMENTAL PURPOSE AND AUTHORIZING ITS TRANSFER (AS AMENDED).

SPONSORED BY: COUNCILWOMAN SEXTON SMITH

WHEREAS, according to KRS Chapter 67C 101, Metro Government may sell any real property belonging to Metro Government;

WHEREAS, Section 1(A) of Executive Order No. 2, Series 2011 of the Mayor, which adopts Section 2(C) of Executive Order No. 3, Series 2007, provides that the Louisville/Jefferson County Metro Government ("Metro Government") may sell and convey surplus real estate upon declaration by the Legislative Council of Metro Government ("the Council") that such property is no longer needed for the governmental purposes of Metro Government;

WHEREAS, Metro Government owns property located at 814 Vine Street, which is part of the Urban Government Center, and as more particularly described in Exhibit A to this Agreement (the "Property");

WHEREAS, Metro Government issued a solicitation of interest in January 2017, soliciting proposals for the redevelopment of the Urban Government Center, including the Property (the "SOI");

WHEREAS, Marian Development Group, LLC ("Developer") submitted one of the responses to the SOI, which proposed to redevelop the Urban Government Center for a mixed-use project;

WHEREAS, Developer's response was ultimately recommended for further negotiation;

WHEREAS, Metro Government has entered into a development agreement with the Developer dated July 2, 2018 (the "Development Agreement," a copy of which is available at the

Office of Advanced Planning, located at 444 S. 5th Street, 6th Floor, which contemplates the sale of the Property for \$1, plus the provision of community benefits more particularly identified in the Development Agreement;

WHEREAS, pursuant to a parking lease dated February 27, 2017 (the "Lease"), Metro Government leased the Property to Paristown Preservation Trust, LLC ("PPT") to support the parking needs of the Kentucky Center for the Arts, subject to a termination right set forth at Section 8.b. of the Lease;

WHEREAS, by letter dated February 25, 2019, Metro Government gave notice of the termination of the Lease;

WHEREAS, a dispute arose regarding the efficacy of the Notice, which was resolved by (i) a Settlement Agreement dated July 9, 2019 by and among PPT, Kentucky Center for the Arts Corporation and Metro Government, and (ii) a Settlement Agreement dated July 9, 2019, by and between Developer and Metro Government (collectively, the "Settlement Agreements");

WHEREAS, pursuant to the Settlement Agreements, PPT has agreed to pay \$500,000 for the option to purchase the Property for \$1;

WHEREAS, pursuant to the Settlement Agreements, the \$500,000 option payment from PPT as well as \$150,000 in carryover funds from Louisville Forward's FY19 capital budget will be paid to Developer to compensate Developer for a portion of the costs it incurred in connection with the Property;

WHEREAS, the Settlement Agreements are contingent upon the passage of this Surplus Resolution;

WHEREAS, Metro Government has never dedicated by virtue of use, deed, ordinance or any other manner the Property to a public or governmental purpose; and

WHEREAS, the Chief of Louisville Forward has declared and certified to the Council that the

Property is surplus to the needs of Metro Government, a copy of which certification is attached as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:

SECTION I: The Council hereby declares the real property described in Exhibit A hereto as “SURPLUS” and determines that it is not needed to carry out the governmental functions of Metro Government.

SECTION II: The Mayor is hereby authorized to transfer the Property in the manner provided according to Section 2 of Executive Order No. 3, Series 2007, without further action by the Council.

SECTION III: This Resolution shall take effect upon the later to occur of (i) its passage and approval, or (ii) notice of termination of the Parking Lease dated February 27, 2017.

H. Stephen Ott
Metro Council Clerk

David James
President of the Council

Greg Fischer
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O’Connell
Jefferson County Attorney

BY: _____