

**RESOLUTION TO WAIVE DDA REIMBURSEMENT ASSOCIATED WITH THE PURCHASE AND SALE
OF THE 350 S. FIFTH AVENUE PROPERTY (FORMER YMCA LOT) WITH THE GOAL OF
SUPPORTING AFFORDABLE HOUSING**

Whereas, In mid-2003 the YMCA offered its property for sale at 350 S. Fifth Avenue and AATA made an offer to purchase it for \$3.5 million;

Whereas, At the DDA's December 3, 2003 meeting the City Administrator attended and said that the City intended to utilize its right of first refusal to purchase this property and asked for a loan from the DDA with which to secure the property;

Whereas, DDA funding requests must go through committee, and the DDA's Executive Committee was empowered under DDA by-laws at that time to act on behalf of the DDA between meetings, and after much discussion, on December 5, 2003 the DDA Executive Committee approved the request to provide the loan as requested for up to \$1,719,181 for the purpose of enabling the City to purchase the YMCA site at 350 S. Fifth Avenue;

Whereas, At a special session of City Council on December 8, 2003 special meeting, City Council approved R-513-12-03 Resolution For Consideration of Financial Plan of Acquisition of the YMCA, which included the statement that if and when the property is sold, funds returned to the DDA would be allocated to housing initiatives and City Community Development funds would be allocated to affordable housing initiatives;

Whereas, No loan document was provided by the City to the DDA, however, the DDA began making quarterly interest payments toward the bank note used to secure the property;

Whereas, On February 6, 2008 the DDA voted to enter into an agreement with the City on the refinancing of the 2003 bank loan used to purchase the former YMCA property, with the understanding that the DDA would be reimbursed by the City for its loan payments at such time as the City sold or otherwise disposed of the former YMCA property;

Whereas, No agreement was provided to the DDA from the City for this refinancing, although a revised financial spreadsheet was provided outlining the amount of the DDA's quarterly interest payments on the bank note;

Whereas, On November 13, 2007 City Council voted to approve R-07-566 Resolution Requesting that the Downtown Development Authority Demolish the City-Owned Building and Establish a Temporary Surface Parking Lot at 350 S. Fifth Avenue.

Whereas, As part of this resolution City Council resolved that upon sale by the City of the Site for re-development, the City and DDA would negotiate possible reimbursement to the DDA for a portion of the net costs incurred by the DDA related to the demolition;

Whereas, On October 15, 2012 City Council voted to approve R-12-472 Resolution to Establish a Policy for the Distribution of Proceeds from the Sale of City-owned Property, which directed that net proceeds first be used to re-pay the various funds that expended resources on the former YMCA site, after which any remaining proceeds be allocated and distributed to the Affordable Housing Trust Fund;

Whereas, On November 18, 2013 City Council voted to approve R-13-368 Resolution to Approve Sale of City-Owned Property at 350 S. Fifth to Dennis A. Dahlmann, at a purchase price of \$5,250,000.00;

Whereas, The Operations Committee recommends that the DDA formally waive its interest in the net proceeds from the sale of the 350 S. Fifth Avenue property in support of affordable housing projects, including its investment in the purchase of the property and the demolition of the former YMCA building, and encourages the City Council to do the same;

RESOLVED, The DDA hereby waives its interest in the net proceeds from the sale of the 350 S. Fifth Avenue property.