



Legislation Text

File #: 18-1089, **Version:** 1

Resolution to Approve the First Amendment to Professional Services Agreement with Butzel Long for Legal Services Related to the Sale of the Above Ground Development Rights of 319 S. Fifth Ave. (\$75,000.00 Amendment/NTE total \$100,000.00)

Attached for your review and approval is a resolution to approve the First Amendment to Agreement Between the City of Ann Arbor and Butzel Long for Legal Services to support the sale of the above ground development rights for 319 S. Fifth Ave.

On April 17, 2017 City Council approved the sale of the above ground development rights on 319 S. Fifth Ave to Core Spaces (R-17-121), for a mixed-use development containing retail, office, hotel, workforce and market-rate residential apartments, and a public plaza.

At the time of approval, City Council approved an appropriation of \$25,000 for an initial contract with Butzel Long to provide legal services to assist with the completion of the Agreement of Sale and to assess what other documents would be needed for the transaction. Now that the Agreement of Sale has been executed, the City and the developer will begin to complete other necessary transaction documents such as a condominium master deed, parking agreement, and workforce housing covenant.

This amendment will increase the \$25,000 agreement with Butzel Long, by \$75,000, for a total contract amount of \$100,000 to provide legal services for the Library Lot transaction through closing. Funding for this agreement is available within existing approved expenditures. Funding for FY2018 will be from the City Administrator's contingency budget and funding for FY2019 will be available in the City Administrator's expenditure budget from temporarily unfilled, budgeted positions.

Butzel Long complies with the City of Ann Arbor's Non-Discrimination and Living Wage Ordinances.

Staff recommends approval of this amendment.

Prepared by: Kevin McDonald, Senior Assistant City Attorney

Reviewed by: Stephen K. Postema, City Attorney, and Tom Crawford, CFO/Finance and
Administrative Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Sponsored by: Mayor Taylor

Whereas, On April 17, 2017 City Council approved the sale of the above ground development rights on 319 S. Fifth Ave to Core Spaces (R-17-121);

Whereas, Council also approved a \$25,000 budget appropriation for Butzel Long for initial legal services to assist with the sale;

Whereas, an Agreement of Sale has been executed with an effective date of May 31, 2018;

Whereas, Consistent with the Agreement of Sale, the City needs to review and draft supporting legal

documents such as the condominium master deed, parking agreement, and workforce housing covenant;

Whereas, The City Attorney recommends this amendment to the Butzel Long agreement to pay incurred costs and continue to provide legal services in support of the transaction; and

Whereas, Funding for this contract is available within existing approved expenditures - Funding for FY2018 will be from the City Administrator's contingency budget and funding for FY2019 will be available in the City Administrator's expenditure budget from temporarily unfilled budgeted positions;

RESOLVED, That City Council approve the agreement with Butzel Long for legal services for the sale of the above ground development rights of 319 S. Fifth Ave. in the amount from \$75,000.00 such that the total contract is not to exceed \$100,000.00;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the First Amendment to Agreement Between the City of Ann Arbor and Butzel Long for Legal Services, subject to approval as to form by the City Attorney; and

RESOLVED, That the City Attorney and City Administrator be authorized to take the necessary administrative actions to implement this resolution.