



4800 Ashford Dunwoody Road
Dunwoody, Georgia 30338
dunwoodyga.gov | 678.382.6700

MEMORANDUM

To: Mayor and City Council

From: Cecil McLendon, City Attorney

Date: March 9, 2020

Subject: **Approval of Purchase and Sale Agreement and Ratification of City Manager's Signature for 4553 & 4555 N Shallowford Road**

ITEM DESCRIPTION

As you know the City currently owns property at the addresses of 4553 & 4555 N. Shallowford Road (Properties) which are improved with two medical buildings and related facilities. On July 8, 2019 Council authorized a selected bid process for the sale of the Properties.

On December 4, 2019, at the completion of the bid process and after the city staff's and the Mayor and Council's review, it was determined that Summit Healthcare Group (SHG) was the preferred offer received and the City accepted its bid for the sale of the Properties.

Subsequently, the City entered into negotiations with SHG to agree upon a Purchase and Sale Agreement (PSA) which would reflect the terms of the bid and be acceptable to the parties.

As a request of that negotiation, a PSA was agreed upon. A copy of the PSA is attached hereto as Exhibit A.

Fundamental provisions of the PSA are as follows:

- Purchase price: \$6,800,000.00
- Earnest money: \$25,000.00
- Rezoning condition: expressly contingent on Property being rezoned by Seller to allow the demolishing of the existing building on the 4553 Parcel and developing a new 40,000 SF medical building with surface parking. Building at 4555 remains unchanged.
- Parking easement: Purchaser will execute Parking Easement acceptable to Seller for a certain amount of spaces at the 4553 Parcel for after business hours overflow parking for patrons of Pernoshal Park.

Lynn Deutsch Mayor
Eric Linton, ICMA-CM City Manager
Sharon Lowery, CMC City Clerk

Pam Tallmadge City Council Post 1
Jim Riticher City Council Post 2
Tom Lambert City Council Post 3

Stacey Harris City Council Post 4
Joe Seconder City Council Post 5
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- Time to close: upon the effective date of the PSA (approval date of Mayor and Council), a six-month window opens for the rezoning process to be completed by Purchaser and the sale to move forward. If the rezoning process is not completed as evidenced solely by a vote of the City Council within the six-month time period, the Purchaser has a one-time right to extend for a period not to exceed 60 days to complete the rezoning process, provided diligence has been used in the rezoning process. If the property has not been rezoned prior to December 31, 2020, the PSA is null and void, unless there is written, mutual agreement between the parties to extend.

City Manager executed the PSA on February 27, 2020, and his signature is subject to ratification of the agreement by the Mayor and Council.

RECOMMENDED ACTION

It is the staff's recommendation that the Mayor and Council approval the contract, ratify the City Manager's signature and the agreement can move forward to the zoning process.

Lynn Deutsch Mayor
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Sharon Lowery, CMC City Clerk

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