STAFF MEMO: FINANCIAL

TO: Honorable Mayor and City Council Members

FROM: Tom McKlveen, Parks & Recreation Director

Signed by: Tom McKlveen D29D4A00CDC8470...

DATE: Submitted on October 22, 2024 for the Monday, November 4, 2024 Regular City Council Meeting

AGENDA ITEM: Consideration of a Land Acquisition Agreement Between the City of Milton and Devender A. Reddy & Muralidhar N. Reddy for Purchase of Realty of 3.05 Acres Located in Land Lots 1113 and 1114, 2nd District, 2nd Section, Fulton County, Georgia (Parcel 22 528011200445) at a Purchase Price of $750,000.

EXECUTIVE SUMMARY

The City of Milton has identified a parcel of land for acquisition to support the City's current and future active park needs. The parcel is located on Deerfield Parkway and supports the land acquisition criteria as outlined in the City of Milton Comprehensive Parks and Recreation Master Plan. The acquirement of this property, sitting directly adjacent to the City-owned 300 Deerfield Parkway, will allow for flexible planning and additional infrastructure to be included at the soon to be designed active park.

This agenda item contains a Land Acquisition Agreement with Devender A. Reddy and Muralidhar N. Reddy, to purchase 3.05 acres of land addressed 0 Deerfield Parkway at a purchase price of $750,000. The property is located in Land Lots 1113 and 1114, 2nd District, 2nd Section, Fulton County, Georgia. The property's Fulton County Tax Parcel Number is 22 528011200445.

Included in the terms of the land acquisition contract is a due diligence period of 60 days. If the City of Milton deems the property fitting for the intended uses at the conclusion of due diligence, the property's closing date will be scheduled no later than December 31, 2024.

Purpose of the Due Diligence Period:

The due diligence period serves as a critical phase in the acquisition process, during which we conduct comprehensive investigations to evaluate the feasibility, risks, and potential benefits associated with the proposed purchase. Specifically, our objectives during this period include:

1. **Property Inspection:** We will conduct thorough inspections of the parcel to assess their physical condition, environmental impact, and any existing infrastructural considerations.
2. **Legal and Financial Review:** Our legal and financial teams will examine the title deeds, zoning regulations, and any potential legal encumbrances associated with the properties. Additionally, we will evaluate the financial implications of the

acquisition, including the purchase price, taxes, improvements, and ongoing maintenance costs.

3. **Community Impact Assessment:** We will analyze the potential impact of acquiring these parcels on the surrounding community, including considerations such as traffic patterns, environmental preservation, and compatibility with existing development plans.

FINANCIAL SUMMARY

Based on the updated CIE, land acquisition for active parks is eligible for funding through Impact Fees at 100%.

DEPARTMENT RECOMMENDATION

Staff recommends approval of the land acquisition agreement between the City of Milton and Devender A. Reddy & Muralidhar N. Reddy.

PROCUREMENT SUMMARY:

Purchasing method used: Other (See Comment Above)
Account Number: 300-6110-541101000
Requisition Total: $750,000

REVIEW & APPROVALS

Financial Review: Karen Ellis, Finance Director
Legal Review: Jeff Strickland, Jarrard & Davis, LLP
Concurrent Review: Steven Krokoff, City Manager

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Stacey Inglis
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ATTACHMENT(S)

Land Acquisition Agreement between the City of Milton and Devender A. Reddy & Muralidhar N. Reddy

AGREEMENT FOR SALE OF REALTY

THIS AGREEMENT FOR SALE OF REALTY (the "Agreement") is made and entered into this _____ day of _____, 2024 (the "Effective Date"), by and between **CITY OF MILTON**, a municipal corporation and body politic duly organized and existing under and by virtue of the laws of the State of Georgia ("Buyer"), and **DEVENDER A. REDDY** and **MURALIDHAR N. REDDY** (collectively referred to herein as "Seller").

AGREEMENT

1. Property. The Buyer agrees to buy, and the Seller agrees to sell, all that tract of land containing a total of 3.05 acres, more or less, located in Land Lots 1113 and 1114, 2nd District, 2nd Section, Fulton County, Georgia, and being more particularly described and depicted on Exhibit "A," attached hereto and incorporated herein by reference, and otherwise known as Fulton County Tax Parcel No. ("TPN") 22 528011200445; and including all structures, fixtures and appurtenances attached thereto (hereinafter referred to as the "Property").

Prior to or contemporaneous with closing this transaction, Buyer shall have prepared a survey and associated plat of the Property by a licensed land surveyor and shall make same available for Seller's prior review and approval. The legal description attached hereto at Exhibit "A" shall be the legal description to be attached to the limited warranty deed to be delivered by Seller to Buyer pursuant to Section 7 hereof (unless, following an examination of the underlying title, the parties hereto agree otherwise), and the legal description depicted on the final survey contemplated in this paragraph shall be the legal description to be attached to the quitclaim deed to be delivered by Seller to Buyer pursuant to Section 7 hereof.

2. Purchase Price. The purchase price of the Property shall be **SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS ($750,000.00)**. At Closing, Buyer agrees to execute the

"Donee Acknowledgement" section of Donor's completed IRS Form 8283 (Noncash Charitable Contributions) confirming Donee's receipt of the Property on that date. Seller represents that the Property was previously appraised by Southern Real Estate Advisors, LLC, on or about September 21, 2022, which appraisal established a fair market value of the Property at that time of $1,600,000.

3. Earnest Money. Promptly following execution of this Agreement, Buyer will pay to Seller **TEN THOUSAND U.S. DOLLARS ($10,000.00)** as earnest money to be held by Seller ("Earnest Money") until the closing, which Earnest Money shall be applied as part payment of the purchase price of the Property at the time of closing, and in the event the sale is not closed, then in that event the earnest money shall be immediately returned to Buyer, except as otherwise provided for herein.

Upon execution of this Agreement, Seller shall provide a completed IRS Form W-9 to Buyer to facilitate the processing of any and all payments hereunder, including the Earnest Money. Buyer's obligation to pay Earnest Money shall not arise until Buyer has received a completed IRS Form W-9 from Seller.

4. Due Diligence. The Buyer shall have a **sixty (60) day** due diligence period (herein "Due Diligence Period") commencing immediately upon the Effective Date. During the Due Diligence Period, the Buyer may enter the property and may conduct environmental testing, including but not limited to soil borings, and may otherwise generally inspect the Property, to include surveying same, and may terminate this Agreement with or without cause, and in the event of such termination Buyer shall receive a full refund of the Earnest Money. At the conclusion of the Due Diligence Period, the Buyer's right to terminate as described in this Section shall expire. Buyer shall procure, at Buyer's cost, a written title opinion establishing that title to the Property is good, insurable, and marketable, and vested in Seller. Buyer, after examining said title opinion,

shall notify Seller of any defects or unacceptable exceptions thereto at least five (5) days prior to the end of the Due Diligence Period. All issues as to title defects and/or unacceptable exceptions to title shall be satisfactorily resolved by Seller prior to closing. It is agreed that such papers that may be legally necessary to carry out the terms of this Agreement shall be executed and delivered by the parties prior to closing. If the Buyer shall decline to accept the Property due to a title defect or other exception to title, then this Agreement shall be null and void, whereupon the parties hereto shall have no further rights, duties, obligations, or liabilities to one another hereunder, and Buyer shall receive a full refund of the Earnest Money.

5. Marketable Title. Seller agrees to furnish good, insurable, and marketable title to the Property. For the purposes of this Agreement, "good, insurable, and marketable title" shall mean fee simple ownership which is: (i) free from all claims, liens, and monetary encumbrances of any kind or nature whatsoever other than permitted exceptions expressly agreed to in writing by the Buyer; (ii) insurable by a reputable title insurance company at then-current standard rates under the standard form of ALTA owner's policy of title insurance with all standard or printed exceptions therein deleted and without exception other than for permitted exceptions expressly agreed to in writing by Buyer. The Property is sold subject only to the valid and agreed upon exceptions to title disclosed to the Buyer as of the date of closing and as presented in accordance with this Agreement.

6. Warranty. The Seller hereby affirmatively warrants that it has no knowledge of any latent or patent physical condition(s), hazards(s) or feature(s) of, on or below the Property that will in any material way impede with or frustrate the reasonable use of the Property by Buyer.

7. Closing Date. The parties shall endeavor to close this transaction within **sixty (60) days** from the Effective Date hereof. In any event, the parties agree that this transaction shall be

closed **no later than December 31, 2024**. Title to the Property shall transfer at the time of closing. At the closing, the Seller shall deliver to the Buyer a limited warranty deed to the Property conveying good, insurable, and marketable title to the Property, and all mineral and sub-surface rights, with the hereditaments and appurtenances, to the Buyer and its assigns, in fee simple, free and clear of all liens, encumbrances, or exceptions on all or any part of the Property, except for easements, restrictions, and other exceptions of record, together with all right, title, and interest of the Seller in and to the Property. In addition, Seller shall execute and deliver to Buyer a quitclaim deed to the Property using the legal description derived from Buyer's survey as referenced in Section 1 above.

8. Taxes. All taxes, assessments, and encumbrances which are a lien against the Property and are due and payable at the time of conveyance to the Buyer shall be satisfied by the Seller. Real estate taxes which are a lien (but are not yet due and payable) will be prorated as of the date of closing. The Seller will pay the documentary revenue stamp tax or transfer, conveyance or recordation tax, assessment or charge, if any.

9. Risk of Loss. All risk of loss or damage to the Property will pass from the Seller to the Buyer at closing. In the event that loss or damage occurs to the Property prior to closing, the Buyer may, without liability, refuse to accept the conveyance of title and receive a full refund of the Earnest Money, or it alternatively may elect to accept the conveyance of title to the Property "AS IS." The Seller shall deliver possession of the Property to the Buyer at the time of closing.

10. Right of Entry. The Buyer may enter upon the Property at reasonable times for surveying and other reasonable purposes related to this transaction from the date of execution of this Agreement, through and including the time of delivery of possession of the Property to the Buyer by the Seller. This right of entry is in addition to those Due Diligence Period rights as

identified in Section 4 above. The Buyer's entry upon the Property in accordance with this paragraph shall be undertaken in such a manner so as to not unreasonably interfere with Seller's ongoing operations or in such a manner as would do permanent or long-term damage to the Property.

11. Preservation of Property. The Seller agrees that the Property shall remain as it now is until the delivery of possession of the Property by the Seller to the Buyer, and that the Seller will prevent and refrain from any use of the Property for any purpose or in any manner which would adversely affect the Buyer's use and enjoyment of the Property in the future. In the event of such actions, the Buyer may, without liability, refuse to accept the conveyance of title and receive a full refund of the Earnest Money, or the Buyer alternatively may elect to accept conveyance of title to the Property.

12. Specific Performance. The parties agree that in the event of a breach hereof by the Seller (i.e., the refusal to execute the deed at closing or to deliver possession of the Property to the Buyer at the appointed time), damages will be inadequate, and therefore the court having jurisdiction herein may award the Buyer specific performance in lieu of damages or any other remedies allowed by law.

13. Binding Effect. The agreements set forth herein are to apply to and bind the heirs, executors, administrators, successors, personal representatives and assigns of the Seller.

14. Final Agreement. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

15. Severability. If any paragraph, subparagraph, sentence, clause, phrase, or any portion of this Agreement shall be declared invalid or unconstitutional by any court of competent

jurisdiction or if the provisions of any part of this Agreement as applied to any particular situation or set of circumstances shall be declared invalid or unconstitutional, such invalidity shall not be construed to affect the portions of this Agreement not held to be invalid. It is hereby declared to be the intent of the parties to provide for separable and divisible parts, and they do hereby adopt any and all parts hereof as may not be held invalid for any reason.

16. Governing Law. This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Georgia, including but not limited to the Georgia Open Meetings Act (O.C.G.A. § 50-14-1 et seq.) and the Georgia Open Records Act (O.C.G.A. § 50-18-70 et seq.).

17. Public Meeting Requirement. In accordance with the Georgia Open Meetings Act, Buyer's decision to enter into this Agreement to acquire the Property must be made in an open (i.e., public) meeting where the identity of the Property and the terms of the acquisition are disclosed before the vote. See O.C.G.A. § 50-14-3(b).

18. Broker or Agent. Any broker or agent fees incurred by Seller in relation to this transaction shall be borne exclusively by the Seller. Seller and Buyer represent and warrant to each other that neither Seller nor Buyer has dealt with, consulted or engaged any third-party real estate broker or agent in connection with this transaction.

19. Counterparts/Facsimile/PDF. To facilitate execution, this Agreement may be executed in as many counterparts as may be required; and it shall not be necessary that the signature of, or on behalf of, each party, or that the signatures of the persons required to bind any party, appear on one or more such counterparts. All counterparts shall collectively constitute a single agreement. Execution evidenced by facsimile signature and/or PDF signature shall be

deemed an original for all purposes. This does not, however, and shall not excuse the improper execution by any party, representative of any party, any witness or notary public.

20. Notices. All notices, consents and other communications hereunder shall be in writing and shall be (i) personally delivered, (ii) sent by a nationally recognized overnight courier service, (iii) sent by first class, registered or certified mail, return receipt requested, postage prepaid, or (iv) sent by emailed transmission with confirmation of sending, as follows:

(A) If to Seller, to the addresses stated below, or to such addresses as may have been furnished by Seller to Buyer in writing:

Devender A. Reddy
2 Ravinia Drive, Suite 980
Atlanta, Georgia 30346

Muralidhar N. Reddy
~~4741 - Lake~~ Forrest DR
Sandy Springs - GA - 30342

(B) If to Buyer, to the address stated below, or to such other address as may have been furnished by Buyer to Seller in writing:

Tom McKlveen
2006 Heritage Walk
Milton, Georgia 30004
Email: tom.mcklveen@miltonga.gov

with copy to:
Jarrard & Davis, LLP
222 Webb Street
Cumming, Georgia 30040
Attention: Jeff Strickland
Email: jstrickland@jarrard-davis.com

Any such notice, request, consent or other communications shall be deemed received (i) at such time as it is personally delivered by hand, (ii) one business day after deposit with a courier delivery service, (iii) on the third business day after it is mailed, or (iv) upon sending by emailed transmission, as the case may be. Anything contained in this Agreement to the contrary notwithstanding, all notices pursuant to this Agreement, whether from Seller to Buyer or from

Buyer to Seller, will be effective if executed by and sent by the attorney of the party sending such notice. Buyer and Seller hereby agree that if a notice is given hereunder by counsel, such counsel may communicate directly in writing with all principals, as may be required to comply with the notice provisions of this Agreement.

21. Time is of the Essence/ Business Day. Time is of the essence with respect to the performance of each of the covenants and agreements under this Agreement. If any date or any period provided in this Agreement ends on a Saturday, Sunday or legal holiday, the applicable period shall be extended to the first business day following such Saturday, Sunday or legal holiday.

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(signature pages follow)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above (the "Effective Date"), which shall be the date this Agreement is approved by the Milton City Council.

SELLERS:

DEVENDER A. REDDY

SIGNED, SEALED, AND DELIVERED
in the presence of:

Witness

Notary Public
My Commission Expires:

[Notarial Seal]

NAVEEN CHAWLA
NOTARY PUBLIC
GWINNETT COUNTY, GEORGIA
MY COMMISSION EXPIRES
MAY 25, 2027

(signatures continue on following pages)

(signatures continued from previous page)

SELLERS:

MURALIDHAR N. REDDY

SIGNED, SEALED, AND DELIVERED
in the presence of:

Witness

Notary Public
My Commission Expires: 3/1/26

[*Affix Notary Seal*]

LIZZETTE TARVER
Notary Public, Georgia
Cobb County
My Commission Expires
March 01, 2026

(signatures continue on following page)

(signatures continued from previous page)

BUYER:
CITY OF MILTON, GEORGIA

By: _____
Peyton Jamison, Mayor

[CITY SEAL]

SIGNED, SEALED, AND DELIVERED
in the presence of:

_____
Witness

_____
Notary Public
My Commission Expires:

[NOTARY SEAL]

(end signature pages)

EXHIBIT "A"

Legal Description of Record

PROPERTY LINE DESCRIPTION

ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOT 1113 & 1114 OF THE 2ND DISTRICT, 2ND SECTION, FULTON COUNTY, GEORGIA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT AN AXLE FOUND AT THE SOUTHEAST CORNER OF LAND LOT 1113 AND THE SOUTHWEST CORNER OF LAND LOT 1114;
THENCE ALONG THE SOUTHERN LINE OF LAND LOT 1114 SOUTH 88 DEGREES 50 MINUTES 02 SECONDS EAST, 9.93 FEET TO A #4 REBAR FOUND;
THENCE LEAVING SAID LAND LOT LINE NORTH 03 DEGREES 15 MINUTES 20 SECONDS WEST, 180.42 FEET TO A #4 REBAR SET ALONG THE CENTERLINE OF CREEK MEANDERING ALONG PROPERTY LINE, SAID POINT BEING THE POINT OF BEGINNING.

THENCE ALONG SAID CREEK NORTH 61 DEGREES 39 MINUTES 04 SECONDS WEST, 17.67 FEET TO A #4 REBAR SET;
THENCE LEAVING SAID CREEK SOUTH 64 DEGREES 33 MINUTES 19 SECONDS WEST, 32.54 FEET TO A #4 REBAR SET;
THENCE SOUTH 72 DEGREES 47 MINUTES 25 SECONDS WEST, 11.54 FEET TO A #4 REBAR FOUND;
THENCE SOUTH 82 DEGREES 24 MINUTES 48 SECONDS WEST, 137.23 FEET TO A #4 REBAR FOUND;
THENCE NORTH 35 DEGREES 23 MINUTES 14 SECONDS WEST, 299.36 FEET TO A #4 REBAR SET;
THENCE NORTH 13 DEGREES 31 MINUTES 00 SECONDS EAST, 36.01 FEET TO A #4 REBAR SET;
THENCE SOUTH 49 DEGREES 04 MINUTES 15 SECONDS EAST, 29.25 FEET TO A #4 REBAR SET;
THENCE SOUTH 79 DEGREES 54 MINUTES 54 SECONDS EAST, 701.75 FEET TO A #4 REBAR SET ON THE WESTERLY RIGHT-OF-WAY OF DEERFIELD PARKWAY (VARIABLE R/W);
THENCE ALONG SAID RIGHT-OF-WAY ALONG A CURVE TO THE LEFT, AN ARC DISTANCE OF 130.65 FEET, SAID CURVE HAVING A RADIUS OF 762.83 FEET AND BEING SUBTENDED BY A CHORD OF 130.49 FEET, AT SOUTH 19 DEGREES 35 MINUTES 55 SECONDS EAST, TO A POINT;
THENCE SOUTH 24 DEGREES 30 MINUTES 00 SECONDS EAST, 128.54 FEET TO A #4 REBAR FOUND;
THENCE LEAVING SAID RIGHT-OF-WAY SOUTH 65 DEGREES 11 MINUTES 21 SECONDS WEST, 122.95 FEET TO A #4 REBAR SET;
THENCE NORTH 20 DEGREES 17 MINUTES 13 SECONDS WEST, 11.01 FEET TO A #4 REBAR SET;
THENCE NORTH 35 DEGREES 22 MINUTES 49 SECONDS EAST, 40.12 FEET TO A #4 REBAR SET;
THENCE NORTH 09 DEGREES 32 MINUTES 48 SECONDS EAST, 11.02 FEET TO A #4 REBAR SET ALONG THE CENTERLINE OF CREEK MEANDERING ALONG PROPERTY LINE;
THENCE ALONG SAID CREEK NORTH 43 DEGREES 01 MINUTES 28 SECONDS WEST, 44.69 FEET TO A #4 REBAR SET;
THENCE NORTH 59 DEGREES 43 MINUTES 37 SECONDS EAST, 21.12 FEET TO A #4 REBAR SET;
THENCE NORTH 53 DEGREES 29 MINUTES 19 SECONDS WEST, 15.74 FEET TO A #4 REBAR SET;
THENCE NORTH 25 DEGREES 19 MINUTES 58 SECONDS WEST, 19.93 FEET TO A #4 REBAR SET;
THENCE NORTH 67 DEGREES 20 MINUTES 35 SECONDS WEST, 26.14 FEET TO A #4 REBAR SET;
THENCE NORTH 30 DEGREES 49 MINUTES 43 SECONDS WEST, 22.30 FEET TO A #4 REBAR SET;
THENCE SOUTH 74 DEGREES 21 MINUTES 15 SECONDS WEST, 34.18 FEET TO A #4 REBAR SET;
THENCE NORTH 63 DEGREES 01 MINUTES 39 SECONDS WEST, 17.02 FEET TO A #4 REBAR SET;
THENCE SOUTH 83 DEGREES 41 MINUTES 53 SECONDS WEST, 25.27 FEET TO A #4 REBAR SET;
THENCE NORTH 43 DEGREES 21 MINUTES 51 SECONDS WEST, 32.62 FEET TO A #4 REBAR SET;
THENCE NORTH 08 DEGREES 00 MINUTES 21 SECONDS WEST, 16.80 FEET TO A #4 REBAR SET;
THENCE SOUTH 71 DEGREES 04 MINUTES 27 SECONDS WEST, 16.81 FEET TO A #4 REBAR SET;
THENCE NORTH 43 DEGREES 19 MINUTES 28 SECONDS WEST, 20.98 FEET TO A #4 REBAR SET;
THENCE NORTH 66 DEGREES 56 MINUTES 24 SECONDS WEST, 15.17 FEET TO A #4 REBAR SET;
THENCE SOUTH 38 DEGREES 54 MINUTES 24 SECONDS WEST, 32.48 FEET TO A #4 REBAR SET;
THENCE NORTH 67 DEGREES 18 MINUTES 06 SECONDS WEST, 26.20 FEET TO A #4 REBAR SET;
THENCE SOUTH 31 DEGREES 39 MINUTES 32 SECONDS WEST, 7.31 FEET TO A #4 REBAR SET;
THENCE SOUTH 23 DEGREES 13 MINUTES 50 SECONDS EAST, 19.59 FEET TO A #4 REBAR SET;
THENCE SOUTH 72 DEGREES 56 MINUTES 28 SECONDS WEST, 20.98 FEET TO A #4 REBAR SET;
THENCE NORTH 54 DEGREES 31 MINUTES 33 SECONDS WEST, 17.38 FEET TO A #4 REBAR SET;
THENCE NORTH 24 DEGREES 05 MINUTES 06 SECONDS WEST, 18.66 FEET TO A #4 REBAR SET;
THENCE SOUTH 64 DEGREES 34 MINUTES 05 SECONDS WEST, 16.21 FEET TO A #4 REBAR SET;
THENCE SOUTH 20 DEGREES 12 MINUTES 43 SECONDS WEST, 10.98 FEET TO A #4 REBAR SET;
THENCE SOUTH 49 DEGREES 47 MINUTES 03 SECONDS EAST, 14.71 FEET TO A #4 REBAR SET;
THENCE SOUTH 45 DEGREES 36 MINUTES 10 SECONDS WEST, 10.22 FEET TO A #4 REBAR SET;
THENCE NORTH 61 DEGREES 40 MINUTES 29 SECONDS WEST, 58.96 FEET TO A #4 REBAR SET, SAID POINT BEING THE POINT OF BEGINNING.

SAID TRACT OR PARCEL CONTAINS 3.045 ACRES.