

RESOLUTION 20-117

A RESOLUTION TO REFUND THE ESCROW FUNDS DEPOSITED WITH THE CITY OF SPRING HILL IN ACCORDANCE WITH THE ESCROW AGREEMENT DATED JULY 18, 2016 BETWEEN THE CITY AND N. HOUSTON PARKS, J. STEVE PARKS AND JAMES E. PARKS

WHEREAS, in accordance with the terms set forth in Resolution 16-73, the City of Spring Hill, Tennessee (“City”) entered into an Escrow Agreement with N. Houston Parks, J. Steve Parks and James E. Parks (“Parks”) on July 18, 2016 regarding property owned and being developed by Parks Known as Reserve Commercial Park North located on the west side of Port Royal Road; and

WHEREAS, discussions and negotiations occurred around the possibility of the addition within the next four (4) years of a traffic signal light being installed where the northernmost street out of Reserve Commercial Park North intersects with Port Royal Road, with Parks’ participation being twenty-five percent (25%) of the cost of the traffic signal or a maximum amount of \$37,500.00; and

WHEREAS, the Parks provided escrow funds to the City in the amount of \$37,500.00 on or about July 28, 2016; and

WHEREAS, the City was to hold the escrow fund in an interest-bearing account until: (a) the traffic signal or alternative street improvements were installed or finished to the satisfaction of the City; or, (b) four (4) years after, the Parks deposit the fund in escrow with the City; and

WHEREAS, if the traffic signal light or alternative street improvements were not installed or finished in said four (4) year period, the City will pay back the fund in escrow, with accrued interest, to the Parks and, the Parks will thereafter have no liability or responsibility for the traffic light or alternative street improvements; and

WHEREAS, the traffic signal light or alternative street improvements have not been installed or finished in said four (4) year period; and

WHEREAS, the City received a written request from the Parks’ requesting the City pay back the fund in escrow with accrued interest.

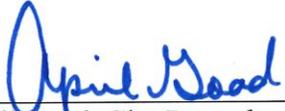
NOW, THEREFORE BE IT RESOLVED, that the City of Spring Hill Board of Mayor and Aldermen, authorize the refund of \$37,524.45 which includes interest in the amount of \$24.45.

Passed and Adopted by the Board of Mayor and Aldermen of the City of Spring Hill,
Tennessee on the 17th day of August, 2020.



Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney



Staff Memorandum

REQUEST: *Approval of Resolution 20-117*

SUBMITTED BY: Thomas S. Wolf, P.E.
City Engineer

DATE: August 17, 2020

RE: Refund of Escrow - Port Royal Traffic Signal

ATTACHMENTS: Resolution 16-73 approved BOMA on June 20, 2016
Escrow Agreement dated July 18, 2016
Request for Refund of Escrow dated July 29, 2020

PURPOSE:

Refund the escrow and accrued interest deposited with the City in accordance with the terms provided in Resolution 16-73 and the Escrow Agreement attached thereto for the Port Royal Traffic Signal in the amount of \$37,524.45 to N. Houston Parks, J. Steve Parks and James E. Parks.

BACKGROUND:

On June 20, 2016, the City of Spring Hill ("City") and N. Houston Parks, J. Steve Parks and James E. Parks ("Parks") entered into an Escrow Agreement for the installation of a traffic signal light where the northernmost street out of Reserve Commercial Park North intersects with Port Royal Road. The amount of the escrow to be deposited by the Parks to the City was determined to be \$37,500.00. The City was to hold the funds in an interest-bearing account until the traffic signal light or alternative street improvements were installed or finished to the satisfaction of the City or four (4) years after the Parks deposited the funds into an escrow account with the City.

The four (4) year time period has passed and the traffic signal light or alternative street improvements have not been installed or finished. In accordance with the terms of the Escrow Agreement executed between the City and Parks, the escrow amount plus accrued interest must be refunded to Parks.

FINANCIAL IMPACT:

There are no direct impacts to the City as the funds were escrowed in an interest-bearing account. The City has no responsibility for expenses associated with the installation of the traffic signal and related improvements at the subject intersection.

STAFF RECOMMENDATION:

City staff recommends approval of Resolution 20-117 to approve the release of the escrow funds along with accrued interest from the City to Parks.

ACTION REQUIRED (INCLUDE DEADLINE /PRIORITY):

The Board of Mayor and Aldermen to approve Resolution 20-117 approving the release of the escrow funds for the traffic signal light where the northernmost street out of Reserve Commercial Park North intersects with Port Royal Road in the amount of \$37,524.45, the initial \$37,500.00 plus \$24.45 of interest.

RESOLUTION 16-73

**A RESOLUTION TO APPROVE AN ESCROW AGREEMENT
BETWEEN THE CITY OF SPRING HILL, TENNESSEE,
AND N. HOUSTON PARKS, J. STEVE PARKS, AND JAMES E. PARKS**

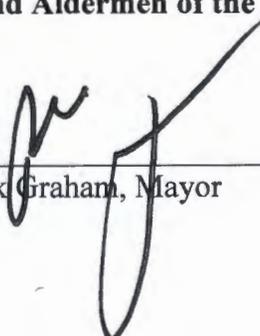
WHEREAS, the City of Spring Hill, Tennessee (“City”) desires to enter into an Escrow Agreement with N. Houston Parks, J. Steve Parks and James E. Parks (collectively as “Parks”) (a copy of which is attached hereto) regarding property owned and being developed by Parks known as Reserve Commercial Park North located on the west side of Port Royal Road; and

WHEREAS, discussions and negotiations have occurred around the possibility of the addition within the next four (4) years of a traffic signal light being located where the northernmost street out of Reserve Commercial Park North intersects with Port Royal Road, with Parks’ participation to be twenty-five percent (25%) of the cost of said traffic signal light or a maximum amount of \$37,500.00; and

WHEREAS, City’s Planning Commission passed a motion on January 11, 2016, that “Prior to another building permit being issued, a development agreement will be drafted with staff for Planning Commission approval, the terms of which include the applicant [Parks] will place [sic] funds in escrow in an amount sufficient to cover 25% of the costs of traffic signalization or street improvements required by the city”.

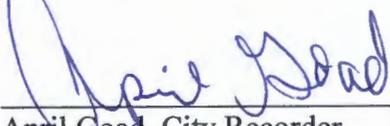
NOW, THEREFORE, BE IT RESOLVED, by the Board of Mayor and Aldermen that the Mayor is authorized to enter into and execute the herein referenced Escrow Agreement.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee, on the 20th day of June, 2016.



Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick M. Carter, City Attorney

ESCROW AGREEMENT

This Escrow Agreement is made and entered into by and between the **City of Spring Hill, Tennessee**, a Tennessee municipal corporation, herein referred to as “City,” and **N. Houston Parks, J. Steve Parks, and James E. Parks**, herein referred to as “Property Owner.”

Recitals

A. Property Owner owns and is developing real property known as Reserve Commercial Park North on the west side of Port Royal Road in City. On the east side of Port Royal Road at that location is property owned and developed by or for The Kroger Company, herein referred to as “Kroger.”

B. Discussions and negotiations have occurred around the possibility of the addition within the next four (4) years of a traffic signal light where the northernmost street out of Reserve Commercial Park North intersects with Port Royal Road, with Property Owner’s participation to be 25% of the cost or a maximum amount of \$37,500.00.

C. The City Planning Commission on January 11, 2016 passed a motion that “Prior to another building permit being issued a development agreement will be drafted with staff for Planning Commission approval, the terms of which include the applicant [Property Owner] will place funds in escrow in an amount sufficient to cover 25% of the costs of traffic signalization or street improvements required by the city.”

Agreement

Now, therefore, the parties do hereby agree as follows:

1. Property Owner will place with City, or City’s designee, in escrow, within five (5) business days after this Agreement is effective, the sum of \$37,500.00 cash, herein referred to as “the fund.”

2. The City will hold the said fund in an interest-bearing escrow account until (a) the traffic signal light, or the alternative street improvements, as referenced in the Recitals, is installed or are finished to the satisfaction of City; or, (b) four (4) years after Property Owner deposits its fund in escrow with the City or its designee.

3. If the traffic signal light is not installed in the said four (4) year period, City will pay back the fund in escrow, with accrued interest, to Property Owner, and Property Owner will thereafter have no liability or responsibility for the traffic signal light or alternative street improvement.

4. While the fund is held in escrow, any owner in Property Owner's Reserve Commercial Park North can obtain a building permit from City without City or its Planning Commission requesting or requiring that owner to contribute toward the installation of the traffic signal light or alternative street improvements at Port Royal Road.

CITY OF SPRING HILL, TENNESSEE

By: [Signature] - Mayor
Title

Date: 7/18/16

N. Houston Parks
N. Houston Parks

[Signature]
J. Steve Parks

James E. Parks
James E. Parks

Date: 7/11/16

N. Houston Parks
J. Steve Parks
James E. Parks
P. O. Box 1732
Columbia, TN 38402

Contact Person: Jim Parks
(931) 626-9100
jparks@ccim.net

July 29, 2020

City of Spring Hill, Tennessee
c/o Victor Lay, City Administrator
City Hall
199 Town Center Parkway
Spring Hill, TN 37174
Hand-delivered, and Sent via email to vlay@springhilltn.org

Re: Escrow Agreement
07/18/2016
Reserve Commercial Park North / Port Royal Road

Dear Mr. Lay:

This is a formal request for a refund of the \$37,500.00 (plus interest) placed by us in escrow with the City on 07/28/2016, with reference to a discussed traffic signal light or alternate street improvements as mentioned in an Escrow Agreement between the City and us dated 07/18/2016. Copies of the Escrow Agreement and the received check are attached or enclosed.

The discussed traffic signal light or alternate street improvements have not been installed or completed within four (4) years after we deposited the \$37,500.00 in escrow with the City and hence a refund with interest is due under the terms of the Escrow Agreement.

Thank you for your consideration.

N. Houston Parks

N. Houston Parks
J. Steve Parks

J. Steve Parks
Jim Parks

James E. Parks

Enclosures or Attachments

HSJ ACCOUNT
P. O. BOX 1732
COLUMBIA, TN 38402-1732

1358

87-848/641

Date 7/28/16

Pay to the order of City of Spring Hill

\$ 37,500⁰⁰

Thirty seven thousand five hundred dollars & no/100 — Dollars

 Security details on back.

 COMMUNITY FIRST
BANK & TRUST
Columbia, Tennessee 38401

Jim Park
Stew Park

For _____

⑈001358⑈ ⑆064108485⑆ 001 572 5⑈

Received by the City of Spring Hill to Missy Stahl
7/28/16 ms