

FAILED-DEFEATED
SPECIAL MEETING
CITY COUNCIL
October 16, 2008

ROLL CALL:

MR. WOJCIK , MR. MCGRATH, MR. RYAN, MR. DUNNE, MR. GALUSKI, MR. BROWN,
MR. BAUER, PRESIDENT CAMPANA
ABSENT: MR. ZALEWSKI

Ordinance No. 1 Date October 2, 2008
Introduced by Council Member Campana Motion McGrath
At the request of Administration Seconded by Bauer

ORD. #1

ORDINANCE REPEALING:

**ORDINANCE # 6 AS ADOPTED BY THE TROY CITY COUNCIL AT THE REGULAR
MEETING OF THE CITY COUNCIL HELD ON SPETEMBER 4, 2008**

The City of Troy, in City Council, convened, ordains as follows:

Section 1. Ordinance # 6 as adopted by the City Council of the City of Troy, at the Regular Meeting of the City Council held on Sptember 4, 2008, as attached hereto and made a part hereof, is hereby REPEALED and has no further binding legal effect, in any capacity.

Section 2. It is the intention of the City Council to rescind, revoke and repeal any and all express or implied approval or consent for the execution of any document relating to the underlying transaction for which the Ordinance was approved on September 4, 2008. All matters related to, in anyway, Ordinance # 6 defined above are hereby REPEALED and are therefore INVALID and UNENFORCEABLE AS A MATTER LAW and PURSUANT TO THIS LAW.

Section 2. This act will take effect immediately.

Ordinance **FAILED** by the following vote:

Ayes: 3 Wojcik, McGrath, Bauer
Noes: 5
Abstain: 0

Ord. # 6 (9/4/08)

**ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A FULL RELEASE AND
SATISFACTION OF ALL LIENS, ENCUMBRANCES, GUARANTEES AND
ATTACHMENTS THE CITY OF TROY HAS – INCLUDING THE UDAG AND SECTION
108 LOAN – AS AGAINST THE RIVER TRIANGLE (264-276 RIVER STREET) AND
DAUCHY (275-283 RIVER STREET) BUILDINGS AND RIVER TRIANGLE COMPANY
(THE “OWNER”) AND ITS PARTNERS**

Section 1. The City of Troy – in 1988 – entered into an agreement with the River Triangle

Company Partners for the purchase, sale, reconstruction, restoration and renovation of the Dauchy and River Triangle Buildings located at 264 – 276 River Street and 275 – 283 River Street, as defined in Schedule “A” attached hereto and made a part hereof.

Section 2. As part of that agreement, the City of Troy authorized and participated in a UDAG Grant, No. B-88-AA-36-0526 and a HUD Section 108 Loan, both attached hereto as Schedule “B” and made a part hereof.

Section 3. River Street Holding Company, an affiliate of Cornerstone Communications, has or is about to enter into a Purchase and Sale Contract with River Triangle Company for the purchase of both the River Triangle and Dauchy Buildings.

Section 4. The purchasers of the Dauchy and River Triangle Buildings would like to pay the City of Troy a cash payment of TWO MILLION DOLLARS (\$2,000,000) and make the balance of the payments due under the HUD Section 108 Loan on behalf of the City of Troy, marked as Schedule “C” attached hereto and made a part hereof.

Section 5. The summary of all outstanding amounts owed to the City of Troy under this 1988 transaction is provided in Schedule “D” attached hereto and made a part hereof.

Section 6. The purchasers, as defined herein above, propose to pay the City of Troy the TWO MILLION DOLLARS (\$2,000,000) cash payment and to make all final payments under the HUD Section 108 Loan in full satisfaction of all liens, notes, mortgages, guarantees, attachments and encumbrances the City may have as against both the River Triangle and Dauchy Buildings, River Triangle Company, its general and limited partners, and all affiliates of any of the foregoing.

Section 7. In consideration of the foregoing payment of TWO MILLION DOLLARS (\$2,000,000) to be made to the City of Troy, the City Council hereby authorizes and directs the Mayor to do the following:

- A. To execute a Real Estate Contract of Sale, substantially in the form annexed hereto, for the purpose of evidencing the City of Troy’s agreement to release any and all liens, attachments, notes, mortgages, guarantees and encumbrances which it has against the River Triangle and Dauchy Buildings, River Triangle Company, its general and limited partners, and affiliates as more particularly set forth therein; and
- B. To authorize and direct the Mayor to execute, acknowledge and deliver the Escrow Agreement attached to the aforesaid contract as Exhibit “G”, and in connection therewith to execute, acknowledge and deliver in escrow to the Escrow Agent all of the releases and discharges of the liens, attachments, notes, mortgages, guarantees and encumbrances which the City of Troy has against the River Triangle and Dauchy Buildings, River Triangle Company, its general and limited partners, and affiliates to be held in escrow by the Escrow Agent until the closing and sale of the property and the receipt of the City of Troy of the TWO MILLION DOLLARS (\$2,000,000) cash payment hereinabove set forth; and
- C. The City of Troy hereby consents to River Triangle Company entering into

a Management Agreement with Atrium Services, LLC, under the terms and provisions of which Atrium Services, LLC will manage the Buildings between the date of the contract and the closing under the terms and provisions of the Management Agreement annexed to the contract as Schedule "F".

Section 8. This act will take effect immediately.

Approved as to form, September 4, 2008

Ordinance ADOPTED by the following vote:

Ayes: 8

Noes: 1 Wojcik

Abstain: 0

Troy City Clerk

Executive Action

Sent to the Mayor 09/05/2008

Approved _____ **Date** 9/15/08

Received from the Mayor 9/16/08

Veto _____ **Not Endorsed** x

City Clerk _____

Mayor _____