

MEMORANDUM

TO: Mayor and Board of Commissioners

FROM: Bryan Gruesbeck, Town Manager

SUBJECT: Agreement with Chatham Park Investors, LLC for Contribution to Town of Pittsboro for Additional Costs Associated with the Chatham Park Planned Development District Master Plan

DATE: June 23, 2014

Background: Attached please find the Agreement that provide an annual payment to the Town of Pittsboro from Chatham Park Investors for the costs associated with the various plans, duties and work that the Chatham Park Master Plan will create for the Town, as required by Section X of the Chatham Park Planned Development District Master Plan, as approved on June 9, 2014.

The annual payment would be \$300,000, less ad valorem taxes created in Chatham Park. The money would be used compensate the Town for expenses related to the UDO, Development Agreements as well as operational costs (e.g., additional staff and office space).

The Agreement also provides coverage for the Town against litigation or other legal proceedings related to Chatham Park.

Should you approve the Agreement, I would construct a budget amendment before receiving the payment, which would create a “reserve fund” stipulating the anticipated use of the funds. The proposed FY 2014-2015 Annual Budget does not include the anticipated payment.

Action Requested: Approve Addenda No.1 to the Memorandum of Understanding (MOU) and authorize the Town Manager to provide signature.