

MEMORANDUM OF UNDERSTANDING

THIS, Memorandum of Understanding ("MOU") is entered into this the 10th day of March, 2016, by and among the Columbus Redevelopment Authority, Columbus Mississippi ("Redevelopment Agency"), a Redevelopment Agency formed under the laws of the State of Mississippi, by the Mayor and City Council of the City of Columbus and the Columbus Municipal Separate School District ("CMSD") (collectively known as "the Parties"), with regard to certain real property and improvements to same located within the Redevelopment Agency's Urban Renewal District.

WHEREAS, Pursuant to 43-35-1 *et. seq.* of the Mississippi Code of 1972, every municipality shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions therein, including, but not limited to the powers in addition to others therein granted to undertake and carry out urban renewal projects within its area of operation; and to make and execute contracts and other instruments necessary or convenient to the exercise of its powers under this article, and to disseminate slum clearance and urban renewal information; and , to enter into any building or property in any urban renewal area in order to make inspections, surveys, appraisals, soundings or test borings; and to acquire by purchase, lease, option, gift, grant, bequest, devise, eminent domain or otherwise, any real property (or personal property for its administrative purposes), together with any improvements thereon; and within its area of operation, to make or have made all surveys and plans necessary to the carrying out of the purposes of this article and to contract with any person, public or private, in making and carrying out such plans and to adopt or approve, modify and amend such plans, which plans may include, without limitation: (i) a general plan for the locality as a whole, (ii) urban renewal plans, (iii) preliminary plans outlining urban renewal activities for neighborhoods to embrace two (2) or more urban renewal areas, (iv) plans for carrying out a program of voluntary or compulsory repair and rehabilitation of buildings and improvements, (v) plans for the enforcement of state and local laws, codes and regulations relating to the use of land and the use and occupancy of buildings and improvements and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements, and (vi) appraisals, title searches, surveys, studies, and other plans and work necessary to prepare for the undertaking of urban renewal projects; and

WHEREAS, pursuant to Section 43-35-31 the Mayor and Council have delegated to the Redevelopment Agency the right to carry out all of the above described powers; and

WHEREAS, the CMSD is the owner of approximately 14 acres of land located at the intersection of Military Road and 18th Avenue North on the South end of the property and at the intersection of Military Road and Bluecutt Road on the North end of the property, on which Lee High School and Lee Middle School operated ("The Property"), and which property is not presently being used for school district purposes and is lying within the City of Columbus and the Redevelopment Agency's Urban Renewal District; and

WHEREAS, the Property is located near a Highway 82 bypass onramp and off-ramp and should be developed so as to foster the purposes of the provisions of the State's Urban Renewal Law, which provisions include undertakings for redevelopment in an urban renewal area, acquisition of any other real property in the urban renewal area where necessary to eliminate unhealthful, unsanitary or unsafe conditions, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities; and

WHEREAS, the Redevelopment Agency has expressed interest in the possible acquisition of the Property in order to assess costs of demolition of the improvements located and situated thereon, including whatever environmental conditions might impact such costs; and

WHEREAS, the Redevelopment Agency and the CMSD have met and discussed the benefits and advantages available to the Redevelopment Agency in furtherance of the goals and objectives of the Urban Renewal Law, including *ad valorem*, school, sales and franchise taxes, among other benefits; and

WHEREAS, the CMSD is agreeable to further and additional discussions with the Redevelopment Agency about the possible conveyance by the CMSD to the Agency for valuable consideration; and

WHEREAS, the Redevelopment Agency, should it undertake to conduct surveys, tests, borings, or other such analysis of the Property and the improvements thereon, needs assurance that the CMSD will not convey the property to a third party; and

WHEREAS, CMSD has from time to time spoken to possible purchasers of the Property for various uses, but has not reached any Agreement as to the sale of same, but

understands that such discussions undermine the interest of the Redevelopment Agency to expend resources to inspect, survey and test the Property and it's improvements;

NOW, THEREFORE, the Parties enter into the following understanding:

(1) The Parties shall continue to negotiate for the purchase by the Redevelopment Agency of the Property for good and valuable consideration, with the understanding that the price paid may be less than fair market value, but that if sold by the CMSD to the Redevelopment Agency, that the Redevelopment Agency shall use all its best efforts to ensure that the property is developed into a site that will generate ad valorem, sales, school and/or franchise taxes and that it will not be sold or conveyed for any purpose contrary to such; and

(2) For the period of this MOU or until the property is conveyed, whichever shall occur first, CMSD grants a license to the Redevelopment Agency and consents to the Agency, as well as its contractors, servants and agents, entry onto the Property and into the improvements thereon in order to conduct environmental sampling, testing, analysis, appraisals, evaluations and other inspections of the Property as required by EPA 61.145 Standards for Demolition and Renovation, MDEQ, and the Mississippi Development Authority in order to ascertain the value of the property, taking into consideration any and all liabilities that are found as a result of same. To the extent permitted by applicable law, the Redevelopment Agency agrees to hold CMSD harmless for the actions of the Redevelopment Agency on the Property and the actions of its Officers, Agents, Contractors, Subcontractors, Servants and employees of all of same. Also, the Redevelopment Agency shall require that any and all Contractors, Subcontractors, Servants and employees of all of the same agree to the following:

(a) To, before allowing any of their agents to enter onto the property, they agree to be properly

educated and certified in the scope of the work for which they are retained;

(b) To give warning to any of their employees about the possibility of the existence of asbestos in the improvements to the Property and to require any contractors to thoroughly inspect the Property for dangers and to the extent any dangers become known, to inform the Redevelopment Agency, and his or her employees, agents and subcontractors and require them to thoroughly inform their employees of any such danger; and

(c) To provide proof of insurance that covers:

(i) General Liability coverage, including medical payments, personal and advertising injury, products and completed operations and Automobile liability with minimum limits of \$1,000,000.00 for each occurrence;

(ii) Worker's compensation coverage for exposure to asbestos and other work related injuries or exposures.

Such coverage shall name as additional insured, the CMSD, the Columbus Redevelopment Authority and show same as certificate holder and with waiver of subrogation in favor of the certificate holders.

(3) This length of this MOU shall be for a period of nine months from the date of execution hereof unless extended by Agreement of the Parties hereto and that during the said time period, the CMSD will rescind any Board action in furtherance of sale or conveyance of any part of same and agrees not to negotiate with another prospective purchaser; and

(4) The Parties agree to execute and deliver such additional instruments and documents, provide such additional financial or technical information, and take such additional actions as may be reasonably required from time to time in order to further the purpose of this MOU; and

(5) This MOU shall be governed by the laws of the State of Mississippi; and

(6) The Parties acknowledge and intend that this MOU shall not constitute the grounds for any liability generally, or any obligation or liability as to any party due to the action or inaction of any other party. Each party shall continue to exercise its sole discretion in fulfilling legally authorized duties.

WITNESS OUR SIGNATURES, this the 10th day of March, 2016.

COLUMBUS REDEVELOPMENT
AUTHORITY

BY: 

JOHN ACKER

COLUMBUS MUNICIPAL SCHOOL
DISTRICT

BY: 

ANGELA VERDELL