



Takoma Park City Council Meeting – December 6, 2023 Agenda Item 1

Voting Session

Second Reading Ordinance Authorizing Budget Amendment to Fund a Resolution of the Takoma Junction Project

Recommended Council Action

Adopt the ordinance at second reading.

Context with Key Issues

The Neighborhood Development Company (“NDC”) and the City entered into the Takoma Junction Development Agreement. NDC and the City entered into a Ground Lease, to which NDC agreed to lease the Takoma Junction Project Site for a term of 99 years. NDC entered into a sub-lease with the Takoma Park-Silver Spring Cooperative, Inc., for the City Lot. NDC expended significant amounts of funds attempting to develop the project. In an effort to avoid litigation, the associated cost, and the associated demand on staff, NDC and the City have reached an agreement in principle to end all agreements between them and resolve all issues between them.

By voting in favor of the ordinance at second reading, Council will approve and appropriate the expenditure of up to five-hundred thousand dollars and zero cents to fund a resolution of the Takoma Junction Project. Council also authorizes and directs the City Manager to transfer five-hundred thousand dollars and zero cents from the Unassigned Fund balance to the City's General Fund in order to fund a resolution of the Takoma Junction Project.

Council Priority

Fiscally Sustainable Government

Environmental Considerations

N/A

Fiscal Considerations

The ordinance approves and appropriates the expenditure of up to \$500,000 to fund a resolution of the Takoma Junction Project and authorizes a budget amendment to transfer \$500,000 from the Unassigned Fund Balance to the General Fund for this purpose.

Racial Equity Considerations

N/A