

Introduced by: Councilmember Dyballa

**CITY OF TAKOMA PARK, MARYLAND
RESOLUTION NO. 2018-46**

**APPROVING THE CITY OF TAKOMA PARK'S SETTLEMENT WITH FAIRVIEW
INVESTMENT FUND II, LP FOR THE PRESERVATION OF THE 2.68 ± ACRES
OF LAND KNOWN AS "DOROTHY'S WOODS"**

- WHEREAS, the City Council adopted Resolution 2015-03 in which it designated as an important public purpose the preservation of the urban forest, natural spring and natural topographic features of 2.68 ± acres of undeveloped land, known as Parcel 3, owned by the Washington-McLaughlin Christian School, Inc.; and
- WHEREAS, on January 22, 2015, the City of Takoma Park ("City") was the successful bidder at an Internal Revenue Service ("IRS") public auction sale of Parcel 3; and
- WHEREAS, the City Council named Parcel 3 "Dorothy's Woods" after longtime Takoma Park resident and local historian Dorothy Thomsen Barnes and imposed a conservation easement on the parcel to preserve and maintain Dorothy's Woods in a natural forested state; and
- WHEREAS, the IRS public auction sale of Dorothy's Woods to the City was subject to any prior valid outstanding mortgages, encumbrances, or other liens in favor of third parties against the taxpayer, Washington-McLaughlin Christian School, Inc.; and
- WHEREAS, one of the prior liens, secured in part by the City-owned Dorothy's Woods property, was a Deed of Trust made by Washington-McLaughlin Christian School, Inc. in favor of Bank of America ("BOA") and transferred by BOA to Fairview Investment Fund II, LP ("Fairview"); and
- WHEREAS, the Washington-McLaughlin Christian School, Inc. defaulted in the payment of the debt secured by the Deed of Trust and Fairview filed a foreclosure action in the Circuit Court of Montgomery County, Maryland, against the City-owned Dorothy's Woods property; and
- WHEREAS, in recognition of the importance of the environmental and climate change benefits of Dorothy's Woods to the City and in order to prevent the sale of Dorothy's Woods at foreclosure sale, the City Council decided to enter into a settlement with Fairview, the holder of the Deed of Trust secured by the Dorothy's Woods property; and
- WHEREAS, pursuant to this Settlement Agreement, the City paid Fairview \$250,000 in exchange for Fairview's release of the Dorothy's Woods property from the lien of the Deed of Trust and Fairview's dismissal of its foreclosure action against the

City, in which Fairview sought to collect approximately \$382,600 from the sale of the property; and

WHEREAS, approximately \$100,000 of the settlement amount was paid by donations from City residents who desired to supplement available City funds in order to maintain the City's ownership of Dorothy's Woods and the City hereby expresses deep gratitude to these residents for their generosity as well as to residents citywide for their investment of volunteer time to maintain the Woods over the past three years.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND, that the City's settlement with Fairview for the sum of \$250,000, in exchange for Fairview's release of the Dorothy's Woods property from the lien of the Deed of Trust and Fairview's dismissal of its foreclosure action against the City, is hereby approved and ratified.

BE IT FURTHER RESOLVED that the Settlement Agreement, attached as Exhibit A, made on September 12, 2018, by and between Fairview and the City is approved and ratified.

This resolution is adopted by the Council of the City of Takoma Park, Maryland, this 26th day of September, 2018.

ATTEST:

Jessie Carpenter, CMC
City Clerk