

**RESOLUTION**  
**TO AUTHORIZE CANCELATION OF THE CITY OF SAVANNAH AND COMMUNITY HOUSING SERVICES AGENCY, INC. PROMISSORY NOTES ASSOCIATED WITH THE PURCHASE AND REDEVELOPMENT OF SAVANNAH GARDENS**

**WHEREAS**, in 2007, the Mayor and Aldermen of the City of Savannah (the “City”) requested and supported that CHSA Development, Inc. secure the public-private financing necessary to purchase and redevelop the former 44 acre, 380 apartment, distressed Strathmore Estates site; and

**WHEREAS**, the City request and support has led to a \$100 million plus investments into Savannah Gardens public-private redevelopment partnership that has transformed and revitalized the once distressed neighborhood and will include about 675 new affordable, mixed income, owner and renter occupied dwellings and about 10 acres of new public parks, sidewalks and streets; and

**WHEREAS**, to help fulfill the City’s request that it acquire and redevelop the former Strathmore Estates apartment site, CHSA Development, Inc. secured a \$7.2 million Regions Bank loan on November 16, 2007 for this purpose; and

**WHEREAS**, CHSA Development, Inc. also secured a \$2.7 million, 0% interest, loan on November 16, 2007 from Community Housing Services Agency, Inc. for this purpose; and

**WHEREAS**, CHSA Development, Inc. also secured \$2.8 million and \$2.4 million, 0% interest, grant-funded loans on November 16, 2007 and July 23, 2009, respectively, from the City for this purpose; and

**WHEREAS**, CHSA Development, Inc., through the sale of land parcels and lots for housing, has repaid the Regions Bank loan in full and has repaid \$610,000 to the City; and

**WHEREAS**, CHSA Development, Inc. expects to receive approximately \$500,000 in additional revenue through the sale of house lots in Savannah Gardens; and

**WHEREAS**, with Savannah Gardens development nearing completion, CHSA Development, Inc. is requesting authorization to cancel the City and Community Housing Service Agency, Inc. promissory notes and to allow the unpaid loan balances, as originally anticipated, to remain permanent investments in the development of Savannah Gardens; and

**WHEREAS**, upon the cancellation of its Promissory Notes, the City will enter into an agreement with CHSA Development, Inc. stipulating that any future revenue from the sale of Savannah Gardens property owned by CHSA Development, Inc. will be paid to the City.

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and Aldermen of the City of Savannah authorize the cancellation of the City and Community Housing Services Agency, Inc. Promissory Notes as described herein.

Adopted this 24th day of October 2019.

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Eddie W. DeLoach, Mayor

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Mark Massey, Clerk of Council