

AN AMENDED ORDINANCE TO APPROVE THE SALE OF 122 FOLGER AVENUE TO SILO HOLDINGS, LLC, A LIMITED LIABILITY CORPORATION IN SOUTH CAROLINA, AND ESTABLISH A SECURITY INTEREST FOR REMAINING AMOUNT OWED PER LEASE AGREEMENT

WHEREAS, the City of Easley owns the property located at 122 Folger Avenue; and

WHEREAS, the City of Easley approved an Economic Development Agreement with Silo Holdings, LLC, related to their development of commercial establishments and job creation on this property in August 2019; and

WHEREAS, the lease agreement approved in August 2019 outlined a payment of \$2,000 per month to be paid in 40 equal installments as outlined with all details, guidelines, and stipulations with forgiveness of payments based on meeting guidelines and milestone dates, and included an option to purchase the property once the 40-month lease was completed; and

WHEREAS, Silo Holdings LLC's lender (First Citizens Bank) for the development requires that Silo Holdings LLC own the property in order to place their lien against the property and completing the closing; and

WHEREAS, per Ordinance 2020-24 dated August 18, 2020, the City of Easley agreed to sell 122 Folger Avenue to Silo Holdings, LLC, for \$80,000.00, to place a mortgage against the property based on the payments remaining in the lease and to have the City's mortgage subordination to a mortgage in favor of the primary lender, and to release the City's mortgage once the 40 months outlined in the original lease is completed; and

WHEREAS, due to the type of mortgage and financing by Silo Holdings, LLC, being a Small Business Administration loan, the attorney for First Citizens Bank has represented that the City's mortgage would invalidate the loan and mortgage Silo Holdings, LLC, is seeking, but that the City can receive a security interest in a controlled deposit with First Citizens Bank for the remaining payments, reduced monthly and eventually terminated in accordance with the Economic Development Agreement and the original lease between the City of Easley and Silo Holdings, LLC.

Avenue

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EASLEY, SOUTH CAROLINA, AS FOLLOWS:

1. The City hereby authorizes the Mayor or the City Administrator to make minor corrections, execute, and deliver such documents as may be necessary to complete the sale of 122 Folger Avenue to Silo Holdings, LLC, for \$80,000 while receiving a security interest in a controlled deposit with First Citizens Bank for the remaining payments, reduced monthly and eventually terminated in accordance with the Economic Development Agreement and the original lease between the City of Easley and Silo Holdings, LLC.
2. If necessary, amend the Economic Development Agreement as needed to reflect the sale of the property and any terms that may be affected by this Ordinance. The Mayor's

or City Administrator's execution of the amended Economic Development Agreement shall be conclusive evidence of the City's approval thereof.

3. The Mayor and the City Administrator are, each acting alone or in concert, authorized to take whatever actions and execute and deliver whatever documents (including closing documents) as either of them deems appropriate to affect this Ordinance's intent.

THIS ORDINANCE SHALL BE EFFECTIVE IMMEDIATELY UPON SECOND READING.

First Reading: _____

Second Reading: _____

CITY OF EASLEY, SOUTH CAROLINA

Mayor

Attest:

City Clerk