



Legislation Text

File #: 17-0362, **Version:** 1

Resolution Authorizing the Acceptance of 71.8 ± Acres of Real Property Located Adjacent to Grundland Creek Park, RPC Number: 10001024, From Marina Tsakis-Skea, Nanette K. Phillips and Jon D. Tsakis, to be Used by the City of Hampton for Conservation Purposes as Set Forth Under IRC § 26 CFR 1.170 A-14 (d) (3), as Required by the Conditions of the Gift

Purpose/Background:

The City was approached by Marina Tsakis-Skea, Nanette K. Phillips and Jon D. Tsakis (the "Tsakis Family"), owners of certain property located in the City of Hampton on Beach Road, containing approximately 71.8 +/- acres, with portions adjacent to Grundland Creek Park (RPC Number 10001024) (the "Property"). The Tsakis Family wishes to make a donation of the Property in hopes that the City might be able to use it in furtherance of the preservation and protection in perpetuity of the conservation values of the Property and in its initiative to protect environmental ecosystems.

Pursuant to Section 2-134 of the City Code of the City of Hampton, Council approval is a prerequisite to acceptance of certain gifts to the City. Section 2-134(a) specifically states that gifts of real property valued at five thousand dollars (\$5,000.00) or more shall be "approved by the council, by appropriate motion duly recorded in the council minutes, before such gift shall be deemed to have been accepted by the city". The FY 2018 value of this parcel is \$325,000.00. The donor desires to have a Council Resolution accepting the donation in order to comply with Internal Revenue Code requirements.

The City wishes to accept this donation of real estate offered by the Tsakis family with the stated conditions as follows:

The Property is subject to restrictions prohibiting in perpetuity any private development on the Property. The purpose of these restrictions is to preserve and protect in perpetuity the conservation values of the Property and to limit use and future development of the Property to those uses and amenities consistent with, and not adversely affecting, the conservation values of the Property and the governmental conservation policies furthered by the Grantee as set forth in IRC Section 26 CFR 1.170 A-14(d)(3).

Discussion:

See Purpose/Background above.

Impact:

See Purpose/Background above.

Recommendation:

Approve the Resolution.

WHEREAS, Marina Tsakis-Skea, Nanette K. Phillips and Jon D. Tsakis, in memory of their late parents, Emil T. and Mary C. Tsakis, have generously agreed to donate 71.8 ± acres of real property located adjacent to Grundland Creek Park, RPC Number: 10001024 (the “Property”) to the City of Hampton (the “City”), to be used by the City for “Conservation Purposes” as set forth under IRC § 26 CFR 1.170 A-14 (d) (3);

WHEREAS, the current real estate tax assessment value of the Property is equal to \$325,000.00; and, the current appraised value of the Property, as set forth on that certain appraisal report, commissioned by the Donors, from Dominion Realty Advisors, Inc., dated November 13, 2017, is equal to \$600,000.00;

WHEREAS, the donation of the Property for Conservation Purposes will assist the City in its initiative to protect environmental ecosystems;

WHEREAS, acceptance of such donations by the City, pursuant to Hampton City Code §2-134, only requires the approval of the Hampton City Council by motion to the extent the value of such gifts is \$5,000.00 or greater, but in this instance the City Council agrees to accept by resolution the gift described herein and to acknowledge and agree that this donation is made subject to IRC § 26 CFR 1.170 A-14 (d) (3), and that such condition will be incorporated in the Deed of Gift to the City; and

WHEREAS, the City Manager seeks that approval, submitting that acceptance is in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hampton:

1. That the donation of 71.8 ± Acres of real property located adjacent to Grundland Creek Park, RPC Number: 10001024, from Marina Tsakis-Skea, Nanette K. Phillips and Jon D. Tsakis, is

accepted as authorized by Hampton City Code § 2-134; and

2. That the condition pertaining to this donation shall also be recorded in the City Council minutes as set forth in Hampton City Code §2 -134(a) and incorporated in the Deed of Gift to the City of Hampton.