



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 7/24/2025

File ID: TMP-5759

Department: Urban Development

Subject:

Type of Action: Approval/Action

Resolution authorizing the Mayor to enter into an Option to Purchase Real Estate Agreement between the City of Huntsville and Sam & Rosa Harris Family Farm, LLC, for property located off of Bob Wade Lane.

Resolution No.

Finance Information:

Account Number: TBD

City Cost Amount: 18,000,000

Total Cost: \$18,000,000

Special Circumstances:

Grant Funded: \$

Grant Title - CFDA or granting Agency: NA

Resolution #: NA

Location: (list below)

Address:

District: District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

Additional Comments:

Approximately 75 acres at \$240,000 per acre

RESOLUTION NO. 25-_____

BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor be, and he is hereby, authorized to enter into an Option to Purchase Real Estate, by and between the City of Huntsville, an Alabama municipal corporation, and Sam & Rosa Harris Family Farm, LLC, an Alabama limited liability company, which said agreement is substantially in words and figures as that certain document attached hereto and identified as "Option to Purchase Real Estate between the City of Huntsville and Sam & Rosa Harris Family Farm, LLC," consisting of eleven (11) pages including exhibits, and the effective date of July 24, 2025, appearing on the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document after being signed by the Mayor, shall be permanently kept on file in the Office of the City Clerk of the City of Huntsville, Alabama.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Mayor be and he is hereby authorized to exercise the Option to Purchase Real Estate, on behalf of the City of Huntsville, with such changes as the Mayor deems desirable and necessary, including the authority to assign said document and/or the authority to execute all such documents or instruments relevant and/or relating to effect and complete the real estate transaction contemplated therein.

ADOPTED this the 24th day of July, 2025.

President of the City Council of the City of
Huntsville, Alabama

APPROVED this the 24th day of July, 2025.

Mayor of the City of Huntsville, Alabama

OPTION TO PURCHASE REAL ESTATE

This OPTION TO PURCHASE REAL ESTATE (this "Agreement") is made and entered into as of the 24th day of July 2025 ("Effective Date"), by and between the **CITY OF HUNTSVILLE**, an Alabama municipal corporation (the "City" or "Purchaser"), and **SAM & ROSA HARRIS FAMILY FARM, LLC**, an Alabama limited liability company (referred to as either "Owner" or "Seller").

WHEREAS, Seller is the owner of certain real estate in Madison County, Alabama, being a portion of the land identified by Madison County Tax Assessor records as PPIN 1976, consisting of approximately 75 acres, more or less, and being more particularly described and/or depicted on Exhibit "A" attached hereto, together with any and all adjacent lands owned by Seller (excluding lands lying North of Bob Wade Lane), whether by color of title, descent cast or adverse possession, together with all improvements thereon and all appurtenances, easements, rights of way, water and water rights (including but not limited to wells, canals, and reservoirs), pumps, pipes, flumes and ditches and ditch rights, water stock, ditch and/or reservoir stock or interests, royalties, development rights and credits, air rights, minerals of every kind, mineral rights, oil rights, and gas rights, and any fixtures or evidence related thereto, whether now or later used or useful in connection with, appurtenant to or related thereto, whether appropriated or unappropriated, tributary or non-tributary, and decreed or undecreed (hereinafter collectively referred to as the "Property").

WHEREAS, the City desires to obtain from Owner an exclusive option to purchase the Property.

NOW THEREFORE, in consideration of the premises, which are incorporated herein by reference, and the mutual covenants contained herein, the parties agree as follows:

1. Option. For and in consideration of Five Thousand Dollars (\$5,000.00) and other good and valuable consideration in hand paid to the Owner ("Option Money"), the receipt and sufficiency of which are hereby acknowledged by the Owner, the Owner hereby grants to Purchaser an exclusive right and option (the "Option") to purchase the Property at the purchase price and on the terms and conditions hereinafter set forth. The Option Money shall be applicable to the purchase price of the Property, but is non-refundable, and shall be paid to Owner within seven (7) business days of the Effective Date.

2. Purchase Price. The purchase price for the Property shall be TWO HUNDRED FORTY THOUSAND AND 00/100 DOLLARS (\$240,000.00) per surveyed acre, excluding any portion of the Property lying within rights-of-way or any cemetery, public roads, streets, and alleys. The Property's acreage shall be determined by the Survey referenced in Section 6 below and shall be calculated to the nearest hundredth of an acre. The total purchase price as determined by said survey (the "Purchase Price") shall be paid to Owner in cash for the Property upon the delivery of the Statutory Warranty Deed to the Property to Purchaser and satisfaction of all other closing conditions set forth in this Agreement.

President of the City Council of the
City of Huntsville, Alabama
Date: July 24, 2025

3. Option Term; Extension. The term of the Option herein granted is for an initial period of Ninety (90) days commencing on the date this Agreement is duly executed by all parties, and expiring at midnight on the 90th day thereafter (the "Initial Term"). Purchaser may unilaterally extend the term of the Option for a period of ninety (90) days (if any, the "Extension Term") by the payment of an additional Five Thousand and No/100 dollars (\$5,000.00) (the "Extension Payment") from the Purchaser to the Seller, but if not extended, then the Option shall terminate at the end of the Initial Term. The Extension Payment shall be applicable to the Purchase Price but shall be non-refundable. If the Option is not exercised or extended in writing prior to expiration, this Option shall automatically and without notice expire and any consideration paid therefore shall be retained by Owner, and neither party shall have any further liability or obligation hereunder.

4. Exercise of Option. Notice of election by Purchaser to exercise the Option shall be delivered to Owner in accordance with the Notice provision set forth in Section 24 below.

5. No Obligation to Purchase. Nothing in this Agreement is intended or shall operate to require Purchaser to purchase the Property.

6. Preliminary Title Commitment; Survey. Purchaser shall obtain a title commitment to issue an owner's policy of insurance from Lanier, Ford, Shaver & Payne, P.C. ("Title Commitment") underwritten by First American Title Insurance Company (the "Title Company"), with the owner's title policy premium to be paid by Purchaser at Closing, to be issued in accordance with commercially reasonable standards and insuring Purchaser with fee simple, good and marketable title to the Property, free and clear of all liens, encumbrances, tenancies, covenants, conditions, restrictions, rights-of-way, easements and other matters of record, except for the Permitted Exceptions. "Permitted Exceptions" shall mean (i) ad valorem taxes for the current year not yet due and payable, (ii) easements for the installation or maintenance of public utilities servicing the Property, (iii) easements, restrictions, rights-of-way setback lines, or restrictive covenants of record that do not materially affect Purchaser's intended use of the Property, (iv) any matters shown on the Title Commitment or Survey (defined herein), or (v) such other matters, if any, as may be acceptable to Purchaser. Purchaser, at its expense, shall obtain a boundary survey of the Property prepared by a reputable registered public land surveyor licensed by the State of Alabama, containing a metes and bounds description of the Property (the "Survey"). The Property shall be conveyed by Owner to Purchaser free and clear of any and all liens, except for the Permitted Exceptions.

7. Closing. The Deed to the Property shall be delivered, and the sale shall be closed ("Closing") at the law offices of Lanier Ford Shaver & Payne, P.C. ("Closing Agent") on or within forty-five (45) days after the exercise of the Option, or at such earlier or later date and time as may mutually be agreed upon by the parties (the "Closing Date"). Provided, however, that if any encumbrances or liens which have not been approved by Purchaser remain in effect or unsatisfied, or title is otherwise not acceptable to Purchaser at that time, the sale shall be closed within thirty (30) days after title is made acceptable to Purchaser. The parties may deliver all closing documents and may deposit all closing funds with Closing Agent on or prior to the Closing Date, such that neither party shall be required to be physically present at Closing. Owner shall deliver the following items to Closing Agent at Closing:

- a. Statutory warranty deed conveying good and marketable fee simple title in the Property to Purchaser subject only to the Permitted Exceptions (the "Deed");
- b. Settlement or Closing Statement;
- c. Recorded or recordable releases terminating or releasing all monetary liens, if any;
- d. An owner's affidavit, and any instrument, such as a corrective or quitclaim deed, company/trust certificate, or scrivener's or heirship affidavit, or similar document necessary to clear title, that the title company or Closing Agent may require to issue an updated title commitment and an owner's policy, including, if necessary, a quitclaim deed to the Property using the legal description obtained from the Survey, if any; and
- e. All other documents reasonably requested by Closing Agent or Purchaser necessary to carry out the transaction contemplated by this Agreement, including but not limited to, mandatory IRS or tax disclosures, a settlement statement, any corporate or company documents, certifications, or resolutions, broker's affidavits, and other customary documents establishing Owner is duly authorized and empowered to enter into this Agreement and/or to perform its obligations hereunder.

8. Contingencies. This Agreement shall be contingent upon review and approval by the City Council of the City of Huntsville ("City Council").

9. Taxes. Ad valorem taxes on the Property shall be prorated as of the date of the delivery of the Deed such that Owner will be responsible for any taxes due on the Property up to the Closing Date and Purchaser will be responsible for the taxes on the Property after the Closing Date. Purchaser shall be responsible for all Rollback Taxes, if any.

10. Condition of Property. Purchaser is responsible for its own inspection and examination of the Property and any improvements thereon. Notwithstanding the foregoing, Owner agrees that nothing will be done to the Property which would reduce the value of the Property, or cause Purchaser to incur additional costs of developing the Property. Should Purchaser exercise its option, Owner agrees to convey the Property to Purchaser in substantially the same condition as on the date hereof.

11. Closing Costs. The cost to prepare the Deed (to be prepared by Purchaser's Counsel), deed and transfer taxes, recording fees, and all closing costs, except for Owner's attorney's fees and the cost to remove any monetary liens or title issues, shall be paid by Purchaser at Closing.

12. Owner's Default: In the event Owner fails to perform any provision of this Agreement, Purchaser may reaffirm this Agreement and proceed against Owner for specific performance thereof.

13. Purchaser's Default: In the event Purchaser fails to purchase the Property after exercising the Option, Owner's remedy shall be payment by Purchaser of Ten Thousand and 00/100 Dollars (\$10,000.00) in liquidated damages in addition to the Option Money and the Extension Payment, if any. The parties acknowledge that Owner's damages in the event Purchaser does not close are difficult to ascertain, but that \$10,000.00 is deemed to be a reasonable estimate of such damages and does not constitute a penalty.

14. Assignment. Purchaser shall have the right to assign this Option or any of its rights and responsibilities hereunder at any time without the consent of Owner; and from and after the date of such assignment, the term Purchaser, as used herein shall, mean and include such assignee. Purchaser shall notify Owner in writing of any assignment and the name of the assignee.

15. Right of Entry. Upon execution of this Agreement and throughout the Initial Term and, if applicable, Extension Term, Purchaser and its agents are hereby granted the right to enter onto, over, through, across and from the Property from time to time for the purpose of making any general inspections, explorations, tests and surveys as the Purchaser may desire, or for the purpose of engaging in any other general property evaluation and assessment activities which Purchaser deems appropriate, including, without limitation, surveys, soil borings, soil tests, subsurface drillings, subsurface condition evaluations, and environmental inspections or testing (collectively, referred to as the "Reports"). Provided, however, that Purchaser and its agents or representatives shall not: a) unreasonably disturb the Property; b) damage any portion of the Property or any personal property located on the same; or c) injure or otherwise cause bodily harm to Seller or their licensees. All such investigations, testing and evaluations shall be undertaken only after Purchaser has provided reasonable notice of such to Owner and shall be performed by Purchaser or its agents at Purchaser's sole cost and expense. In the event Purchaser does not elect to exercise the Option, Purchaser, at its cost, shall restore the Property to substantially the same condition as existed prior to such testing. Additionally, Purchaser shall be responsible for obtaining any necessary licenses, permits, or governmental approvals required by its inspections, if any, and all costs associated therewith. In the event that this Agreement is terminated, copies of all Reports, as referred to herein, shall be transferred to Owner. Purchaser shall fully indemnify and hold Seller harmless from any and all liabilities and damages of any nature whatsoever arising from Purchaser or Purchaser's agents or representatives entry upon the Property as provided for herein.

16. Authority. Owner represents and warrants, to and for the benefit of Purchaser, that Owner has the authority to convey the Property in accordance with the terms of this Agreement and the individual(s) signing this Agreement and all documents executed or to be executed by Owner are and shall be duly authorized to sign on behalf of Owner.

17. Property Condition; No Additional Encumbrances. Except for Seller's normal and ongoing farming operations on the Property, during the term of this Option, Owner shall not (a) sell, lease, transfer or encumber in any manner any portion of the Property, (b) cut or remove or sell the right to cut, remove, or divert any timber, mineral deposits, soil, dirt, water, or any other natural resources from or on the Property, or (c) construct, remove or substantially modify any improvements existing on the Property. During the term of this Option, Owner shall maintain the Property and all improvements on the Property in substantially the same condition that existed on the date of this Agreement, except as to the normal and usual changes that occur to property during the Seller's farming operation.

18. Termination of Farming Operations. Parties acknowledged that there is an existing farm lease between Owner and Bragg Farms ("Farmer"). If Purchaser exercises its Option to purchase under this Agreement, then Owner agrees to terminate the farm lease on or before the Closing Date. If Purchaser exercises the option to purchase, Owner shall ensure that the Farmer removes all equipment and personal property from the Property and surrenders possession of the Property to the Purchaser on or before the Closing Date. If Farmer has already planted a crop when the Closing occurs, Purchaser shall either permit Farmer to harvest the crop or shall be entitled to terminate the lease immediately and pay Farmer for the lost crop. The amount of any such buy-out shall be equal to the average sales price realized by Farmer for the same crop over the past five (5) years for the acreage in question, as certified by the Farm Service Agency, multiplied by the greater of (a) the price currently booked, or (b) the current spot price for such crop set in Decatur, Alabama, less the average crop harvest expenditure not yet expended. If Purchaser doesn't require termination of the crop, Farmer shall be entitled to reasonable access to conduct his/her/its operations. At any renewal of the farm lease, the Seller shall have the Farmer agree to the terms of this Section 18.

19. Broker's Fees. Each party represents that there are no brokers' fees or real estate commissions due on account of this Agreement or the transactions contemplated hereby. Each party agrees to indemnify, defend and hold the other harmless from any claims of real estate agents or brokers claiming through the party.

20. Attorney's Fees. In the event either party initiates any lawsuit, litigation, or legal action regarding the terms of this Agreement or the Property, the prevailing party shall be entitled to collect reasonable attorney's fees and court costs.

21. Governing Law. The terms and conditions of this Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of Alabama, without regard to Alabama's conflict of laws provision.

22. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the transactions provided for herein, and the parties hereto agree that no other representations have been relied on by either party.

23. Successors and Assigns. This Agreement shall be binding upon the heirs, personal representatives, successors and assigns of Owner, and inure to benefit of the successors and assigns of Purchaser.

24. Notice. All notices shall be properly given only if made in writing and sent to the addresses set forth below and provided by any of the following methods: (i) hand delivery, (ii) U.S. Mail or other nationally recognized delivery service (such as FedEx or UPS), or (iii) electronic transmission, such as through email, PDF, or other similar electronic means. Such notices shall be deemed received if (i) delivered by hand, on the date of delivery, (ii) sent by U.S. Mail or national delivery service, on the date deposited with the applicable carrier, or (iii) delivered by electronic transmission, on the date the transmission is sent. Notice shall be provided to the following:

To Owner:

With a copy to:

To City: City of Huntsville
Attn: Shane Davis
Director of Urban & Economic Development
305 Fountain Circle, 4th Floor
Huntsville, Alabama 35801
Phone: 256-427-5100
Email: shane.davis@huntsvilleal.gov

With a copy to: Lanier Ford Shaver & Payne, PC
Attn: Samuel H. Givhan or Katie Beasley
2101 West Clinton Avenue, Ste. 102
Huntsville, Alabama 35805
Phone: 256-535-1000
Email: shg@lanierford.com
kab@lanierford.com

Copy to:

Sam Harris
2305 English Village Lane
Birmingham, AL 35223

DLB Attorneys at Law, LLC
Attn: Vaughn McWilliams
2100B South Bridge Parkway
Suite 240
Birmingham, AL 35209

Any party may change its address and related contact information by providing the other parties with five (5) days' prior written notice of such new address and contact information.

25. Survival. Any terms and covenants contained in this Agreement which require the performance of either party after the Closing shall survive the closing and delivery of the Deed.

26. Email, Facsimile, or Electronic Signatures. The parties agree that this document may be executed and the signatures transmitted to the other parties by facsimile, email or other similar electronic transmission. Images of handwritten or manually executed signatures transmitted by facsimile, email or similar electronic transmission (such as through "pdf" "tif" or "jpg") as well as any electronic signatures (including, without limitation, DocuSign and AdobeSign, or similar electronic signature service), shall be valid and effective to bind the party so signed and shall be valid and effective for all purposes. Upon transmission and receipt by another party, such signature shall be effective as an original. Notwithstanding the preceding sentence, the parties agree that they will transmit original signature pages to the Closing Agent promptly after execution if required and requested by the Closing Agent. Seller understands that City Council requires an original signature page before this Agreement can be placed on an agenda for City Council consideration.

27. Execution by Counterpart Originals. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

28. Effective Date. The Effective Date shall be the date this Agreement has been signed by the City.

29. Personal Property. Any personal property left on the Property after Closing shall be considered abandoned by Owner and Purchaser may, at Purchaser's option, remove or dispose of such personal property without being liable to Owner therefor.

30. Cooperation and Further Assurances. The parties agree to cooperate with one another and will work in good faith and will use commercially reasonable efforts to complete their respective obligations hereunder. At Purchaser's request, Owner shall execute and deliver any additional documents reasonably required to carry out the transaction contemplated by this Agreement or to correct any scrivener's error contained in this Agreement or any other document executed pursuant hereto or in connection with the transaction contemplated herein. Additionally, Owner agrees to cooperate and assist Purchaser in curing any title defects affecting and/or encumbering the Property.

31. Counsel Acknowledgment. The parties all acknowledge that Purchaser's counsel, SAMUEL H. GIVHAN and the law firm of Lanier, Ford, Shaver & Payne, P.C. (collectively "Counsel") prepared this Agreement on behalf of and in the course of their representation of Purchaser and, for the purposes of this transaction; Counsel represents Purchaser's interest and no other interests. All conflicts of interest due to Counsel's representation of Purchaser and Counsel's unrelated work performed on behalf of Seller are hereby waived. Neither the City nor Counsel have provided any tax advice to Seller regarding this transaction.

32. 1031 and/or 1033 Exchange. Seller shall have the option to structure this transaction as a deferred like-kind exchange pursuant to Section 1031 of the Internal Revenue Code. In the event Seller decides to structure the transaction as a 1031 exchange, Purchaser agrees to cooperate in effecting the exchange in accordance with Section 1031 of the Internal Revenue Code and agrees to execute any documents that may be reasonably necessary to effect the exchange. Seller shall bear all additional costs incurred in connection with the 1031 exchange. Nothing in this section shall interfere with Purchaser's right to close on the Property in accordance with the terms of this Agreement or otherwise delay the Closing.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date(s) written below.

[Signatures and acknowledgments appearing on the following page(s).]

[Owner Signature Page – Option to Purchase Real Estate.]

OWNER:

SAM & ROSA HARRIS FAMILY FARM, LLC

By: Samuel Harris II
Samuel Harris

Its: Manager

Witnessed:

By: Ad V. Kohn
Name: Aden W. Kirklin

Date: 7/14/25

[Purchaser Signature Page to Option to Purchase Real Estate.]

PURCHASER:

CITY OF HUNTSVILLE, an Alabama municipal
corporation

By: _____
Tommy Battle, Mayor

Attested to:

By: _____
Shaundrika Edwards, City Clerk

Date: _____

Exhibit "A"
(Legal Description of Property)

See attached Exhibits A-1

*****The legal description of the Property shall be updated by the Survey to be obtained by Purchaser.*****



Madison County Tax Assessor's Parcel Viewer

LOD: 16 Data Updated: 07-08-2025



Navigation Tools

Search Tools



Exhibit A-1