

**RESOLUTION No. 090452**

**PASSED: October 15, 2009**

**A RESOLUTION OF THE CITY COMMISSION  
OF THE CITY OF GAINESVILLE, FLORIDA  
EXTENDING FOR 120 DAYS THE POSSIBILITY  
OF REVERTER/RIGHT TO REPURCHASE LOT  
22 IN THE AIRPORT INDUSTRIAL PARK;  
SUBJECT TO CERTAIN CONDITIONS; AND  
PROVIDING AN IMMEDIATE EFFECTIVE  
DATE.**

**BE IT RESOLVED BY THE CITY COMMISSION OF GAINESVILLE, FLORIDA** as follows:

**WHEREAS**, the City Commission of the City of Gainesville approved a contract for purchase and sale of real property with J.A. Beguiristain Holdings, Inc. on September 12, 2005 (the "Contract") for the following described real property:

Lot 22, Airport Industrial Park, Unit III, as per plat thereof recorded in Plat Book "T", page 88, of the Public Records of Alachua County, Florida (the "Property") ; and

**WHEREAS**, the closing on the sale of the Property from the City to J.A. Beguiristain Holdings, Inc. (the "Owner") occurred on November 4, 2005; and

**WHEREAS**, the Contract stipulated in Clause 25, Possibility of Reverter, that in the event Purchaser does not complete a multi-space light industrial business building(s) on the Property within two years following closing of the Contract, the Property shall revert back to the City; and,

**WHEREAS**, said Reverter language is similarly contained in Article XII, Section 12.01 of the Amended Declaration of Protective Covenants and Restrictions for the Airport Industrial Park, Units I, II and III adopted by the City Commission on January 13, 2003 and recorded as Official Records Instrument #1908415, in the Public Records of Alachua County, Florida (the "Declaration") and referenced in the Contract in Clause 3 and in the deed that conveyed title to the Property recorded as Official Records Instrument #2192706, in the Public Records of Alachua County, Florida; and

**WHEREAS**, said Reverter language in the Declaration states that, "Declarant" (City) may by appropriate resolution extend the aforesaid 2-year time limitation if in its discretion good cause therefore is shown by Owner"; and

**WHEREAS**, the Declaration also states that the Property shall not be transferred to any third party prior to construction and completion of the initial building and improvements and Clause 26 of the Contract states that the Owner shall not transfer the Property within 10 years of the date of closing, without prior written consent of the City; and

**WHEREAS**, the City Commission did provide a two year extension of Reverter by Resolution No. 070545 adopted October 22, 2007, extending the Reverter until October 22, 2009 for good cause; and

**WHEREAS**, the Owner has recently informed the City that due to the recent downturn in the real estate market and the associated hardship it has created in the owner's portfolio, development of the property as originally planned will not materialize and thus led the Owner to request a release of the Reverter and the ability to sell the property; and,

**WHEREAS**, any amendment to the Covenants and Restrictions requires approval of the City, the Gainesville-Alachua County Regional Airport Authority and other owners of lots within the Airport Industrial Park; and,

**WHEREAS**, the City of Gainesville has an interest in development of Airport Industrial Park property in order to provide for additions to the City's tax base and provision of employment in East Gainesville as part of an overall Citywide economic development strategy; and,

**WHEREAS**, a 120 day extension of the Reverter is necessary in order to allow for processing of possible amendments to the Covenants and Restrictions in order to accommodate the owners request and improve prospects for economic development in the Airport Industrial Park.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY  
OF GAINESVILLE, FLORIDA:**

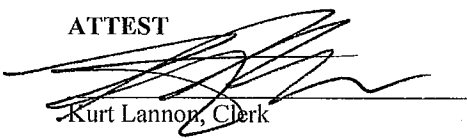
1. The Owner is hereby granted a 120 day extension, from the date of adoption of this Resolution, to the Possibility of Reverter/Right of Repurchase contained in the Contract and the Declaration for good cause shown, based upon a letter provided by the Owner dated August 6, 2009, a copy of which is attached as Exhibit "A,";
2. The 120 day extension is provided to the owner in order to allow city staff to process possible amendments to remove the Reverter language and to the Airport Industrial Park Covenants and Restrictions to allow for sale of the property for economic development purposes;
3. That Pegeen Hanrahan, Mayor, is hereby authorized and directed to execute said Resolution on behalf of the City of Gainesville and Kurt M. Lannon, Clerk of the Commission, is hereby authorized and directed to impress the official seal of the City of Gainesville, to attest to said execution, and to record a true and correct copy of this Resolution in the Public Records of Alachua County, Florida.
4. This Resolution shall become effective immediately upon adoption.

**PASSED AND ADOPTED** in regular session this 15th day of October, 2009.

**CITY COMMISSION OF  
GAINESVILLE, FLOIRDA**

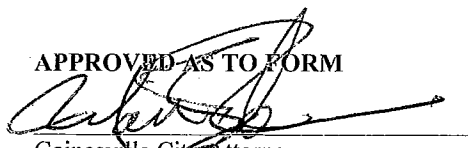
By:   
Pegeen Hanrahan, Mayor

**ATTEST**

  
Kurt Lannon, Clerk

(SEAL)

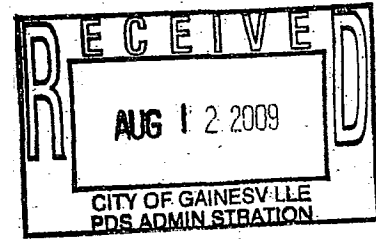
**APPROVED AS TO FORM**

  
Gainesville City Attorney

**OCT 15 2009**

090452 a

August 6, 2009



J. A. Beguiristain Holdings, Inc.  
289 Carabela Ct.  
Coral Gables, FL 33143

City of Gainesville-Department of Economic Development  
Mr. Eric Bredfeldt,  
Director  
200 E. University Avenue, Room 407  
Gainesville, FL 32602-0490

Dear Eric,

I regret to inform you that it will be impossible for me to achieve my goal of speculatively developing the parcel I currently own in Airport Industrial Park.

Several factors have delivered me to this position. They include, the disappearance of credit liquidity in the markets for speculative commercial real estate, risk associated with finding viable long term tenants in the current economic environment and the necessity of personal focus on my core business enterprises.

It is unfortunate that I will not be able to realize my vision of participating in the economic development of you community and I am truly disappointed.

As you are aware we are rapidly approaching the reverter deadline extension and I will not be pursuing a further extension. At this time I would like to request a release from my development obligations and would like to seek out a more qualified buyer to continue the project and to sell the parcel. The land has been in my possession for 4 years and my efforts to date have made it clear that this was never a speculative land acquisition.

I understand the city has the option of repurchasing the land from me and I would be open to that as well if the city has an interest.

Your assistance with this project has been very valuable and I consider you a friend. Perhaps in the future, as economic climates improve, real estate ventures will become more desirable to outside investors and we may have the chance to work together again.

Sincerely,

Jose A. Beguiristain  
J. A. Beguiristain Holdings, Inc.