



## Legislation Text

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**File #:** 130519., **Version:** 1

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### **Recommendation to Make City-Owned Lot 10 Available for Development (NB)**

In April 2010, the CRA issued a Request for Information for a publicly owned conference center/hotel in order for the CRA to respond to Alachua County's (the County) Request for Proposals for "Capital Projects that Promote Tourism." The proposed development required this funding source to achieve financial feasibility and was envisioned as a publicly-owned, multi-level conference center with highly flexible space, and a privately-owned, full service hotel with the potential for street-level retail. The project submitted by the CRA was not chosen for award by the County.

Since that time, there had been continued interest in a hotel and conference center in Gainesville's urban core. At the September 19, 2011 CRA Board meeting, information regarding the financial analysis for an unsolicited proposal was presented to the CRA Board by City Budget and Finance staff. Following the presentation, CRA staff was then requested to draft language for a competitive solicitation for a hotel and conference center to be located on either the City-owned Lot 10 parcel or elsewhere in or near Gainesville's downtown.

A solicitation process was authorized by the City Commission on February 2, 2012. A multi-step Invitation to Negotiate (ITN) was jointly issued by the City and the CRA on February 29, 2012. The ITN was structured in two phases. The first phase requested the qualifications of developers demonstrating successful completion of similar projects elsewhere, a description of the development team composition, as well as a general description of any CRA or City financial assistance that would be sought for the project. This information was sought in order for the City and CRA to gain an understanding of the financial assistance needed for such a project.

A total of two responses to the first phase were received from Acquest Realty Advisors, Inc. and Gainesville Hotel & Conference Center, LLC. On June 21, 2012, the City Commission heard a presentation which outlined the financial assistance needs identified by the two respondents in order for a hotel and conference center project to be financially feasible.

After hearing the presentation regarding the public assistance being sought in the ITN responses, the City Commission requested that staff seek to identify potential local partners as funding sources for the project and report back to the Commission before the decision to continue or terminate the solicitation process is to be made.

Staff met with potential community funding partners to gauge interest in partnering on financing for construction and on-going operations of a conference center. These community partners expressed support for a conference center concept, but did not have the ability to immediately commit funding towards construction or ongoing operations of a conference center. Each community partner provided valuable feedback on considerations regarding optimal conference center size, suitable locations, and additional community stakeholders to involve in the discussion.

After hearing this presentation on December 20, 2012, the City Commission concluded the ITN with the understanding that more discussion of the topic was warranted and that concluding the ITN would end the

blackout period, thus allowing, the Commission and City staff to further research and gather more information on the feasibility of the concept, as well as have direct discussions with developers which have expressed interest in building and operating a hotel and conference center.

Following discussions at the September 16, 2013 CRA Board meeting regarding Lot 10, staff was requested to present information on options that would be available to the City Commission for Lot 10. At the October 21, 2013 CRA Board meeting, staff presented the options available for this property, which include the City disposing of the property, a City solicitation for lease or sale or granting an option or transferring the property to the CRA. After discussion, the CRA Board recommended that the City Commission initiate a process for City staff to make Lot 10 available for development.

An appraisal of Lot 10 was last performed in 2005 with an appraisal value of \$514,000.

CRA Board to City Commission: Initiate a process to make City-owned Lot 10 available for development