



Legislation Text

File #: 130847., **Version:** 15

Lot # 10 Status Report (B)

This is a request for the City Commission to hear a status report on Lot #10.

On June 26, 2017, Horizon Hospitality Management, Inc. (HHM) was notified of a Failure of Performance under the terms of the First Amendment to the Amended and Restated Contract for Sale and Purchase regarding making an additional deposit of \$50,000 towards the purchase of Lot #10 within 30 days of the First Amendment Effective Date.

The Failure of Performance language is found in Section R of the First Amendment and that Section references associated terms.

The City Commission was copied on the Failure of Performance correspondence and it should be noted that HHM and local representatives were provided notice of the pending 30 day deadline and wiring instructions the week prior by electronic communication.

Since the passing of the June 26th deadline, no further communication has been received by staff from HHM or local representatives.

At the July 6th City Commission meeting the Commission voted to terminate the Lot #10 First Amendment and Amended and Restated Contract for Sale and Purchase with HHM and a notice of contract termination has been forwarded to their attention.

As a result of these circumstances, a scheduled November 30th closing on Lot #10 will likely not occur and as a result the License Cancellation Agreement and First Amendment with MCG Parking, LLC will expire as well.

Subsequent to June 26th, staff has received contact from several groups interested in potential future development of Lot #10.

Staff seeks direction from the City Commission on the following:

- Does the City Commission desire that Lot #10 be placed on the market through a competitive process?
- If so, under what specific terms if any, (the process will be subject to the City's established Real Estate Policies and Procedures) and is there any preference on the type of process to be utilized (i.e., Request for Proposal (RFP), Invitation to Negotiate (ITN))?

At this juncture, the original deposit of \$25,000 is subject to being retained as per the First Amendment and Amended and Restated Contract for Sale and Purchase.

The City Commission: 1) hear a brief presentation from staff; and 2) direct staff to initiate a competitive process for Lot #10 as per input of the City Commission and per the City's established Real Estate Policies and Procedures.