



Legislation Text

File #: 170628., **Version:** 1

Prioria Robotics, Inc. - Termination of Amended and Restated Lease Agreement (B)

This is an informational item to the City Commission indicating that the existing Amended and Restated Lease Agreement between the City of Gainesville and Prioria, Robotics, Inc. is being terminated due to Tenant Default.

On September 27, 2017, the City Commission was informed by memo (see back-up) that notice of default had been provided to Prioria Robotics, Inc. due to non-payment of rent and tenant debt as stipulated in the Amended and Restated Lease Agreement executed by the parties in March, 2016.

A cure period was established and extended once to December 1, 2017 due the company's indication that a resolution to the default via pending federal grant opportunities and an injection of private investment would be forthcoming. A monthly rent payment was made by the company in October; however, the full outstanding amounts were not satisfied and a further extension to December 31, 2017 to provide a plan for satisfaction was requested by the company on November 21, 2017.

At this point, staff recommends to not extend the cure period and a notice of termination was forwarded to Prioria Robotics, Inc. on December 1, 2017 requesting vacation and surrender of the premises as of January 1, 2018.

It has been indicated to the company that the City will pursue remedies consistent with Section 12 of the Amended and Restated Lease Agreement.

As of the original September 27, 2017, Notice of Default, Prioria Robotics, Inc. were past due approximately \$55,000 in monthly rent and \$48,000 in tenant debt (back rent). The Amended and Restated Lease Agreement does contain provisions for recovery of unpaid rent and tenant debt.

The City Commission direct staff to continue with termination procedures as outlined in the Amended and Restated Lease Agreement.