

RESOLUTION NO. R-2011-014

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE ATTACHED DEVELOPMENT AGREEMENT AND GROUND LEASE BETWEEN MARGARITAVILLE HOLLYWOOD BEACH RESORT, LLC ("MARGARITAVILLE") AND THE CITY, THE ATTACHED LICENSE AGREEMENT FOR THE INTRACOASTAL PARCEL BETWEEN MARGARITAVILLE AND THE CITY, AND THE ATTACHED LICENSE AGREEMENT FOR THE JOHNSON STREET PARCEL BETWEEN MARGARITAVILLE, THE CITY AND THE HOLLYWOOD, FLORIDA COMMUNITY REDEVELOPMENT AGENCY ("THE CRA"), ALL IN CONNECTION WITH THE DEVELOPMENT OF THE CITY-OWNED JOHNSON STREET PROPERTY.

WHEREAS, on July 30, 2009, the City of Hollywood, Florida issued Request for Proposals No. 4212-09-IS for the redevelopment of the site commonly known as Johnson Street for a resort hotel project; and

WHEREAS, after a competitive process, which included public hearings and deliberations by the Mayor and City Commission, on April 7, 2010, pursuant to Resolution Number R-2010-097, the appropriate officers of the City were authorized to negotiate with Margaritaville the basic terms and conditions for such redevelopment; and

WHEREAS, the basic terms and conditions for the redevelopment are in the Memorandum of Understanding between the City, Margaritaville and the CRA, approved by the City Commission on July 7, 2010 by Resolution Number R-2010-201 (the "MOU"); and

WHEREAS, consistent with the MOU, appropriate officers of the City and the CRA negotiated with Margaritaville's representatives, and these negotiations resulted in a number of agreements; and

WHEREAS, one of the agreements is the attached Development Agreement and Ground Lease, which provides (i) for the City to lease to Margaritaville the Johnson Street Property, (ii) for Margaritaville to construct, develop, operate and maintain a resort hotel and related improvements including, without limitation, a parking garage containing public parking and (ii) for Margaritaville to construct public improvements on the Johnson Street Parcel and the Intracoastal Parcel; and

WHEREAS, two of the agreements are the attached License Agreement for the Johnson Street Parcel and the attached License Agreement for the Intracoastal Parcel, which provide for the City to grant to Margaritaville a non-exclusive license to use, operate and maintain the public improvements to be constructed by Margaritaville on these parcels; and

WHEREAS, the City will not be a party to the remaining agreements, which are a Loan Agreement, Promissory Note, and Leasehold Mortgage and Security Agreement, which provide for the CRA to loan to Margaritaville an amount not to exceed \$10,000,000 for furniture, fixtures and equipment for the hotel, and a CRA Funding Agreement, which provides for the CRA to pay up to \$5,000,000 towards the public improvements to be constructed by Margaritaville on the Johnson Street Parcel and the Intracoastal Parcel; and

WHEREAS, the City Manager and City Attorney recommend that the City Commission approve execution of the attached Development Agreement and Ground Lease and two attached License Agreements;

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

Section 1: That it hereby approves and authorizes the execution, by the appropriate City officials, of the attached Development Agreement and Ground Lease between Margaritaville and the City the attached License Agreement for the Johnson Street Parcel between Margaritaville, the City and the CRA, and the attached License Agreement for the Intracoastal Parcel between Margaritaville and the City, all in connection with the development of the City-owned Johnson Street property, together with such nonmaterial changes as may be subsequently agreed to by the City Manager and approved as to form and legality by the City Attorney.

Section 2: That this resolution shall be in full force and effect immediately upon its passage and adoption.

RESOLUTION APPROVING AGREEMENTS RELATED TO MARGARITAVILLE RESORT
HOTEL TO BE CONSTRUCTED ON CITY-OWNED JOHNSON STREET PROPERTY.

PASSED AND ADOPTED this 19 day of Jan, 2011.


PETER BOBER, MAYOR

ATTEST:


PATRICIA A. CERNY
CITY CLERK

APPROVED AS TO FORM & LEGALITY
for the use and reliance of the
City of Hollywood, Florida only:


JEFFREY P. SHEFFEL
CITY ATTORNEY