

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO IMPLEMENT A SETTLEMENT WITH MARGARITAVILLE HOLLYWOOD BEACH RESORT, LP IN THE AMOUNT OF \$500,000.00.

WHEREAS, in June 2013, Margaritaville Hollywood Beach Resort, LP (“Developer”) and the City of Hollywood entered into an Amended and Restated Development Agreement and Ground Lease (“Agreement”); and

WHEREAS, under the Agreement, the City leased certain property to Developer for the construction, development, and operation of a hotel, parking garage and other improvements (collectively, the “Project”); and

WHEREAS, under the Agreement, Developer was to pay rent to the City, including one type of rent designated as “Transaction Rent”; and

WHEREAS, in April 2018, Developer sold the Project to a third party; and

WHEREAS, in October 2018, the City made written demand upon Developer for the payment of Transaction Rent resulting from the sale of the Project in the amount of \$1,719,962.41; and

WHEREAS, in October 2018, Developer filed a civil action against the City seeking a declaration by the court that Developer is not liable to the City for any amount of Transaction Rent; and

WHEREAS, during a continued mediation, the parties negotiated a settlement in the amount of \$500,000.00 to be paid by Developer to the City within 15 days of approval of the settlement by the City Commission, which would totally resolve the issues raised in the pending litigation, including the City’s underlying claim for Transaction Rent arising out of the April 2018 sale of the Project; and

WHEREAS, the City Attorney recommends that the City Commission approve the negotiated settlement.

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

RESOLUTION APPROVING SETTLEMENT WITH MARGARITAVILLE HOLLYWOOD
BEACH RESORT, LP

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: That the above-described settlement is approved.

Section 3: That the appropriate City officials are authorized to take all steps necessary to implement the settlement.

Section 4: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2020.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY for the use and reliance
of the City of Hollywood, Florida only:

DOUGLAS R. GONZALES
CITY ATTORNEY