

Manatee County Government

Agenda

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Manatee County Government Administrative Center Commission

Chambers, First Floor 9:00 a.m. - January 24, 2017

January 24, 2017 - Regular Meeting

Agenda Item #25

Subject

Ground Lease and Development Agreement - Convention Center Hotel

Briefings

All

Contact and/or Presenter Information

Presenter: Dan Schlandt, Deputy County Administrator, x3732

Contacts: Elliott Falcione, CVB Director, x5913
Monica Luff, CVB Sr. Admin. Spec., x5913

Action Requested

Adoption of Resolution No. R-17-021 regarding Economic Development (Bradenton Area Convention Center Headquarters Hotel); approving the form of a ground lease and certain exhibits thereto; authorizing the execution of such documents: providing that county obligations are subject to availability and appropriation of funds; and providing an effective date.

Enabling/Regulating Authority

Florida Statute Chapter 125, County Government

Background Discussion

On September 3, 2015, Manatee County issued an Invitation to Negotiate (ITN) 15-1162CP to solicit private sector partners who are experienced in hotel development to propose a nationally branded property adjacent to or within easy walking distance to the Bradenton Area Convention Center (BACC) located at One Haben Blvd, Palmetto, Florida. S. Goodman and Associates, LLC was selected for negotiation.

On September 27, 2016 the Board of County Commissioners approved a Development Agreement for a Convention Hotel with Improvement Network Development Partners (INDP), a special purpose entity created by S. Goodman and Associates for the purpose of developing this project.

That Development Agreement called for the County and INDP to negotiate a Ground Lease Agreement to set forth the terms for the developer to construct and operate a full service hotel and related amenities on specific portions of the current convention center property and an adjacent property to be acquired by the Palmetto CRA for replaced BACC parking and an outdoor special event area.

This is a two-party agreement between the County and INDP, however, the City of Palmetto and the Palmetto CRA will be significant partners in the success of

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this development. As the convention center is located in the City of Palmetto, they will be involved in the land use process for the project. The City of Palmetto, through the Palmetto CRA, also intends to provide significant financial incentives through a separate agreement with INDP for the capital investment for the hotel development which they will be considering this week.

As the ability of the Palmetto CRA to provide economic development incentives is dependent on their ability to receive tax increment revenues from the hotel development it will be necessary for the county to transfer the portion of the convention center property included in the Lease Agreement to the City of Palmetto in fee simple title.

The conceptual plan in this development agreement calls for a proposed six story, 250-room Sheraton hotel and will include ballroom space, meeting room space, and a full service restaurant.

The Convention Center Complex Improvement Participation Agreement between INDP and the City of Palmetto will address terms for the construction of 7th Street from US 41 to Haben Blvd. Our Ground Lease requires the developer to set aside right-of-way within the Hotel land lease area for the extension of 7th Street.

The Ground Lease provides for a permanent easement to the county for parking and operations of the outdoor special events area to be constructed on the adjacent parcel. A Shared Use Agreement establishes the terms and conditions for the operations of the adjacent parcel. The lease also requires parking to be provided on the adjacent parcel be created prior to beginning construction on the hotel.

The term of the Ground Lease Agreement between the County and INDP is forty years with two options to renew for ten years in exchange for nominal rent. The Developer will be responsible for the design, construction, and equipping of the hotel at its sole risk and expense and at no cost or expense to the County.

The agreement documents are lengthy and contain numerous terms and conditions. Staff will provide more detailed briefings to individual Board of County Commission members on those terms and conditions of the Ground Lease Agreement prior to the Board Meeting.

County Attorney Review

Other (Requires explanation in field below)

Explanation of Other

Drafting of all documents have been managed by William Clague, Assistant County Attorney.

Reviewing Attorney

Clague

Instructions to Board Records

Original Signed Resolution R-17-021 to Board Records

Executed copy of Resolution R-17-021 to William Clague

Cost and Funds Source Account Number and Name

None

Amount and Frequency of Recurring Costs

None

Attachment: [Resolution for BACC Headquarters Hotel FINAL.pdf](#)
Attachment: [BACC Ground Lease \(Final for BCC\) .pdf](#)
Attachment: [MC Exhibits \(Final for BCC\).pdf](#)
Attachment: [Exhibit A Parcel Description.pdf](#)
Attachment: [Exhibit C Approved Plans.pdf](#)
Attachment: [Exhibit F Project Site.pdf](#)
Attachment: [Exhibit G RBA - JAN 19 final.pdf](#)