



Legislation Text

File #: ID#22-0788, **Version:** 1

SUBJECT/RECOMMENDATION:

Approve the Contract for Sale of Real Property by the City of Clearwater, Florida (Contract) between the City of Clearwater, Gotham Property Acquisitions, LLC (Gotham) and The DeNunzio Group, LLC (DeNunzio) for the former Harborview site, which was located at 320 Cleveland Street, and is being re-addressed as 50 N. Osceola Avenue and authorize the appropriate officials to execute same, together with all other instruments required to effect closing.

SUMMARY:

The former Harborview site, previously addressed as 320 Cleveland Street, and being re-addressed as 50 N. Osceola Ave., is a vacant lot and contributes no taxable value to the City. Nor does it provide housing, jobs or amenities for Clearwater residents. The Imagine Clearwater plan, adopted by Clearwater residents, identified this property as a potential site for redevelopment to complement Coachman Park and stimulate downtown.

Pursuant to the Community Redevelopment Act, the City of Clearwater issued a Call for Development Concepts (No. 28-22) for Downtown Clearwater Waterfront Development Opportunities for the old City Hall Site and the Harborview Site. In response, Gotham and DeNunzio presented a development concept that proposed a purchase of the former Harborview site, for the purpose of creating an approximately 158 key full-service hotel, retail, restaurant, cultural and event space. Design and construction details will be memorialized in a development agreement, which is being offered to the City Council as a separate agenda item.

This item is the Purchase and Sale Agreement (PSA) for the former Harborview site. The proposed purchase price is \$9,300,000.00. This price represents the full appraised value at the time the Call for Development Concepts was issued. In addition, the PSA contemplates a Closing Date by December 31, 2024, barring unusual circumstances. The PSA requires the buyer to obtain all pre-development approvals, such as an approved site plan and building permit, prior to closing.

The City Charter currently requires the City, prior to selling its real estate, to first declare the property surplus and sell the property to the highest bidder. Because this PSA involves a specific buyer and development partner, the PSA requires an amendment to the City Charter before the PSA can be fulfilled. A separate ordinance is being presented to the City Council which, if approved, will ask voters to consider amending the City Charter to allow the PSA to be fulfilled. The PSA will terminate if the ordinance is not approved by Council, or if the proposed Charter amendment is rejected by voters during the November 2022 general election.