

CITY OF LA VISTA
LA VISTA COMMUNITY DEVELOPMENT AGENCY REPORT
MARCH 15, 2022 AGENDA

Subject:	Type:	Submitted By:
AUTHORIZE RELEASE OF LETTER OF CREDIT ACQUISITION OF DEMOLITION RIGHTS – CHILI'S GRILL & BAR, LOT 8, CITY CENTRE	◆ RESOLUTION ORDINANCE RECEIVE/FILE	RITA RAMIREZ ASST. CITY ADMINISTRATOR DIRECTOR OF COMMUNITY SERVICES

SYNOPSIS

A resolution has been prepared to authorize the release of a letter of credit in connection with the Agreement and Easement Instrument and Demolition Rights with respect to leasehold improvements of the Chili's Grill and Bar, Lot 8, La Vista City Centre Replat Three in the 84th Street Redevelopment Area.

FISCAL IMPACT

N/A

RECOMMENDATION

Approval.

BACKGROUND

The City declared the 84th Street Redevelopment Area a substandard and blighted area in need of redevelopment, created the La Vista Community Development Agency (“Agency”), and adopted documents and instruments that include a Redevelopment Plan for the 84th Street Redevelopment Area, as amended, (“Redevelopment Plan”).

The Agency and City, pursuant to applicable documents and instruments including the Redevelopment Plan, on October 3, 2017 approved agreements for the acquisition of rights to carry out demolition and site preparation with respect to building and other improvements of the Chili's Grill and Bar located in the vicinity of 84th Street and Brentwood Drive, which agreements were executed and entered by the City, Agency, or other appropriate parties together with other applicable documents and instruments, including without limitation an Easement and Demolition Agreement and Demolition and Site Preparation Easement (“Agreement and Easement Instrument”). Said agreements were amended on October 5, 2021, extending the time frame demolition and site preparation.

Chili's has relocated to its new location and demolition and site preparation work with respect to the old Chili's building and improvements on Lot 8, La Vista City Centre Replat Three have been completed. As such, it is being recommended that the Extended Letter of Credit be released.

A separate agenda item will be considered for City Council approval.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VISTA NEBRASKA, ACTING AS THE LA VISTA COMMUNITY DEVELOPMENT AGENCY, APPROVING RELEASE OF LETTER OF CREDIT IN CONNECTION WITH AGREEMENT AND EASEMENT INSTRUMENT AND DEMOLITION RIGHTS WITH RESPECT TO LEASEHOLD IMPROVEMENTS OF THE CHILI'S GRILL AND BAR, LOT 8, LAVISTA CITY CENTRE REPLAT THREE IN THE 84TH STREET REDEVELOPMENT AREA.

WHEREAS, the La Vista Community Development Agency ("Agency") and City of La Vista entered an agreement ("City - Agency Agreement") for the Agency to act as lead agent and contract and otherwise provide for all actions or requirements for demolition and site preparation of the former Brentwood Crossing shopping area located in the vicinity of 84th Street and Brentwood Drive, with the City Engineer designated as the project manager and the City to fund and pay for all costs arising under the agreement from proceeds of the additional one-half of one percent local sales and use tax approved by voters in 2014 for public infrastructure projects within the 84th Street Redevelopment Area, or other available resources; and

WHEREAS, the City Council, acting as the La Vista Community Development Agency and based on advice of the City Engineer, determined that acquisition of demolition rights was necessary to carry out such demolition and site preparation ("Demolition Rights"); and

WHEREAS, proposed agreements, including without limitation an Easement and Demolition Agreement and Demolition and Site Preparation Easement ("Agreement and Easement Instrument"), to acquire such Demolition Rights with respect to building and other improvements of the Chili's Grill and Bar located in the vicinity of 84th Street and Brentwood Drive were approved by the City Council and the La Vista Community Development Agency on October 3, 2017 and together with other applicable documents and instruments were executed and entered by the City, Agency, La Vista City Centre, LLC ("Redeveloper") or other appropriate parties. Developer obligations under the Agreement and Easement Instrument were secured by a \$1.1 million Irrevocable Standby Letter of Credit issued by Dundee Bank to the benefit of the City and Agency, and held by the City Clerk ("Letter of Credit"); and

WHEREAS, the Agreement and Easement Instrument initially specified October 10, 2021 as the date by which all Developer obligations would be met, including relocation to the new Chili's, in order to facilitate demolition and site preparation work, which date the parties at the end of 2021 extended six months, along with the Letter of Credit ("Extended Letter of Credit"); and

WHEREAS, Chili's has since relocated to its new location, demolition and site preparation with respect to the old Chili's building and improvements on Lot 8, La Vista City Centre Replat Three have been completed, and the parties desire release of the Extended Letter of Credit.

NOW, THEREFORE, BE IT RESOLVED, that the City Council, acting as the La Vista Community Development Agency and pursuant to the City - Agency Agreement and the Redevelopment Plan for the 84th Street Redevelopment Area, as amended, hereby approve and authorize the City Clerk to release and deliver to an authorized representative of Redeveloper the Irrevocable Standby Letter of Credit in the amount of \$1.1 million issued on December 11, 2017 and extended October 29, 2021 by Dundee Bank and naming the City of La Vista and La Vista Community Development Agency as beneficiaries.

PASSED AND APPROVED THIS 15TH DAY OF MARCH 2022.

LA VISTA COMMUNITY DEVELOPMENT
AGENCY

Douglas Kindig, Mayor
City of La Vista

ATTEST:

Pamela A. Buethe, MMC
City Clerk