

Legislation Text

File #: 18-924, Version: 1

Actions Related to the Purchase and Sale Agreement with JMA Ventures, LLC for the Hayes Mansion Located at 200 Edenvale Avenue.

a. Adopt a resolution of the City Council:

1. Approving a Purchase and Sale Agreement with JMA Ventures, LLC for the sale of the Hayes Mansion hotel and conference center, including all furniture, fixtures, equipment, and vehicles, located at 200 Edenvale Avenue. in San José, for the amount of \$30,000,000;
2. Authorizing the City Manager to negotiate a in the Purchase and Sale Agreement to address potential financial implications related to the collective bargaining agreement between Dolce Hayes Mansion and UNITE HERE, Local 19;
3. Authorizing the City Manager to negotiate and execute an Assignment of the Hotel Management Agreement to the Purchaser;
4. Authorizing the City Manager to execute the deed and all other documents needed to complete the transaction; and
5. Accepting the transfer of the Grant Deed for the Hayes Mansion property as of the closing date of the sale of the property to JMA Ventures, LLC in exchange for funds sufficient (in combination with proceeds on hand in associated Debt Service Reserve Funds) to retire all bonds issued by the City of San José Financing Authority that are secured by the Hayes Mansion property;
6. Directing staff to apply the sale proceeds and other related proceeds and savings to the retirement of debt and payment of obligations related to the Hayes Mansion as set forth herein; and
7. Directing staff to return to the City Council with recommendations to allocate any remaining proceeds in accordance with City Council Policy 1-18.

b. Adopt a resolution of the City of San José Financing Authority Board directing the Executive Director or the Treasurer of the Authority or their authorized designees to take the necessary actions to effectuate the transfer of the Hayes Mansion property to the City in conjunction with the sale of the property to JMA Ventures, LLC and apply the sale proceeds, Debt Services Reserve Funds and other funds on hand related to the City of San José Financing Authority Lease Revenue Bonds, Series 2008C and Series 2008D (Hayes Mansion Refunding Project) to retire these outstanding bonds and repealing Resolution No. 129.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities, File No. PP16-016. (Economic Development)

TO BE HEARD WITH ITEM 4.3 (18-925)