

MORGAN CITY

**RDA
SPECIAL
MEETING**

08-27-19

6:00 p.m.

**NOTICE OF SPECIAL MEETING TO BE HELD IN OPEN PUBLIC SESSION
OF THE MORGAN CITY REDEVELOPMENT AGENCY**

Pursuant to Utah Code, Title 52, Chapter 4, notice is hereby given to members of the Morgan City Council, and to the general public that the Morgan City Redevelopment Agency will hold a Special Meeting in open public session on **Tuesday, August 27, 2019 at 6:00 p.m.**, in the Council room of the City Office located at 90 West Young Street, Morgan, Utah.

AGENDA ITEMS – DISCUSSION/APPROVAL:

1. Meeting called to order.
2. Resolution R19-31 – Assignment and Assumption Agreement Between Cobblestone Hotel Development, LLC, Morgan Hotel LLC, Morgan City Corporation Redevelopment Agency, and Morgan City

In compliance with the American with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Denise Woods, City Recorder, (801) 829-3461 at least 24 hours before the meeting.

This meeting may be held electronically to allow a member to participate.

Posted this 23rd day of August, 2019

/s/ Denise Woods, City Recorder

RESOLUTION R19-31

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF MORGAN CITY,
ADOPTING AND APPROVING AN ASSIGNMENT AND ASSUMPTION
AGREEMENT BETWEEN COBBLESTONE HOTEL DEVELOPMENT, LLC,
MORGAN HOTEL, LLC, THE MORGAN CITY REDEVELOPMENT AGENCY
AND MORGAN CITY.**

WHEREAS, on January 10, 2019, Cobblestone Hotel Development, LLC, (CHD) entered into an Equity Trade Agreement with C Street, LLC, for the purchase of property described as Parcel 3, Happy Days II, LTD; and

WHEREAS, Morgan City and the Redevelopment Agency of Morgan City entered into an Economic Development Incentive Agreement on August 13, 2019, for the purpose of providing incentive to Cobblestone Hotel Development (CHD) to construct, own and operate a hotel in Morgan City; and

WHEREAS, CHD desires to assign the Equity Trade Agreement (ETA) and the Economic Development Incentive Agreement (EDIA) to Morgan Hotel, LLC; and

WHEREAS, Morgan Hotel, LLC, desires to accept the assignment of the ETA and EDIA;

WHEREAS, the parties mutually agree to the terms and conditions contained in the attached Assignment and Assumption Agreement and agree that there is fair and adequate consideration underlying the Agreement; and

WHEREAS, the City and the RDA agree that it is in the best interest of Morgan City and its citizens to enter into this Agreement.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF THE REDEVELOPMENT AGENCY OF MORGAN CITY:

1. That the agreement entitled Assignment and Assumption Agreement, between Cobblestone Hotel Development, LLD, Morgan Hotel, LLC, the Morgan City Redevelopment Agency and Morgan City, which is attached hereto and incorporated herein by this reference, be adopted and approved.
2. That the Chair is authorized to execute the Assignment and Assumption Agreement.

PASSED AND ADOPTED by the Board of the Redevelopment Agency of Morgan City, Utah, this 27th day of August, 2019.

RAY W. LITTLE, Mayor

ATTEST:

DENISE WOODS, Agency Secretary

APPROVED AS TO FORM:

Gary Crane, City Attorney

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT ("Agreement") is made and entered into as of this _____ day of ___, 2019 by and between Cobblestone Hotel Development, LLC, a Wisconsin limited liability company ("Assignor") Morgan Hotel, LLC, a Utah limited liability company ("Assignee"), Morgan City Corporation Redevelopment Agency ("RDA") and the City of Morgan ("City").

RECITALS

WHEREAS, Assignor entered into an Equity Trade Agreement dated January 10, 2019 ("ETA") with C Street, LLC, a Utah limited liability company for the purchase of that certain property described as Parcel 3, Happy Days II, LTD, Morgan, ("Property"); and

WHEREAS, Assignor has negotiated and is prepared to enter into an Economic Development Incentive Agreement ("EDIA") with the RDA and City; and

WHEREAS, Assignor desires to assign the ETA and the EDIA to Assignee and Assignee desires to accept such assignment.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and consideration set forth herein, Assignor and Assignee agree as follows:

1. Subject to the contingencies set forth in Paragraph 2 below, Assignor hereby nominates Assignee as the substitute "Buyer" and "Developer" under the ETA and EDIA, respectively. Assignor further assigns to Assignee Assignor's entire right, title and interest in, to and under the ETA and EDIA and the Property. Assignee hereby assumes all rights and obligations relating to the ETA and EDIA and agrees to be bound by all the provisions of the same as if Assignee were the original Buyer and Developer, as applicable.
2. This Agreement shall only be given effect and be binding upon the parties and upon the Assignee executing:
 - a. a Franchise Agreement with Cobblestone Hotels, LLC for the right to operate the Property as a Cobblestone Hotel & Suites® branded lodging facility for a term of twenty (20) years;
 - b. a Management Agreement with WHG Management, LLC for the management of the Property as a Cobblestone Hotel & Suites® branded lodging facility for a term of ten (10) years with an option to renew for successive five (5) year periods; and
 - c. a Construction Contract with BriMark Builders, LLC for the development of the Property as a Cobblestone Hotel & Suites® branded lodging facility.
3. The RDA and the City hereby consent to this Agreement.
4. This Agreement shall relieve Assignor of any and all duties, obligations or liabilities under the ETA and EDIA.
5. Except as otherwise expressly modified herein, the terms and provisions of the ETA and EDIA shall remain in full force and effect.

<Signatures on Following Page>

NOTARY PUBLIC

ASSIGNEE:

MORGAN HOTEL, LLC

a Utah limited liability company

By: _____

Name: Scott Parkinson

Title: Authorized Person

Date: _____

STATE OF UTAH)

: ss.

COUNTY OF MORGAN)

On this ____ day of _____, 2019, personally appeared before me SCOTT PARKINSON, proven on the basis of satisfactory evidence, and who by me duly sworn, did say that he is the Authorized Person of Morgan Hotel, LLC, and that said document was signed by him in behalf of Morgan Hotel, LLC, and said SCOTT PARKINSON acknowledged to me that Morgan Hotel LLC executed the same.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

NOTARY PUBLIC

CITY:

CITY OF MORGAN

By: _____

Ray W. Little, Mayor

Date: _____

Attest: _____

City Recorder, Denise Woods

Date: _____

RDA:

MORGAN CITY CORPORATION

REDEVELOPMENT AGENCY

By: _____

Ray W. Little, Chair

Date: _____

Attest: _____

Agency Secretary, Denise Woods

Date: _____

Approved as to Form:

By: _____

Gary R. Crane, City Attorney

