

Legislation Text

File #: 3123, **Version:** 1

CC MEETING: February 21, 2017

DATE: February 13, 2017

TO: Erin Reinhart, City Manager

FROM: Cesar J. Molina, Jr., P.E., Director of Engineering

Consider **Authorizing The City Manager To Approve The Modification Of An Occupancy Agreement With Stemmons Compadres, LTD For The Operation Of The La Hacienda Ranch Restaurant** Until Such Time As The State Of Texas Cancels The Agreement.

BACKGROUND:

On December 9, 2014, City Council approved a donation deed and an occupancy agreement with Stemmons Compadres, LTD, which is the operator of the La Hacienda Ranch restaurant in Carrollton. The front portion of the land where the restaurant sits was acquired by TxDOT for the widening of IH-35E. The remainder was determined to have no residual value, so Stemmons Compadres LTD donated the land to the City. Since future phases of the IH-35E expansion are not scheduled in the near future, TxDOT has agreed to allow Stemmons Compadres to continue to occupy and operate the restaurant indefinitely (until such time as the property is needed for future expansion of IH-35E).

Over the last six months, Stemmons Compadres and TxDOT have been negotiating an extension of the occupancy agreement. The attorney representing Stemmons Compadres has informed the City that TxDOT and his client have agreed to terms to extend the occupancy agreement. He is requesting that the City execute the attached agreement that extends the City's agreement until such time as the State cancels their agreement.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends that the City Council accept the new occupancy agreement with Stemmons Compadres, LTD for continued operation of the La Hacienda Ranch restaurant.