

ORDINANCE NO. 6388

AN ORDINANCE WAIVING THE REQUIREMENTS OF COMPETITIVE BIDDING FOR THE SALE OF CERTAIN CITY PROPERTY LOCATED AT 101 PARK AVENUE, FORMER MAJESTIC HOTEL SITE, TO R.A. WILSON ENTERPRISES, INC.; AND FOR OTHER PURPOSES.

WHEREAS, Ark. Code Ann. §14-54-302 (a)(1) authorizes municipalities to “Sell, convey, lease, rent, let, or dispose of any real estate or personal property owned or controlled by the municipality, including real estate or personal property that is held by the municipality for public or governmental purposes”; and

WHEREAS, City of Hot Springs, Arkansas Resolution No. 9347 sets forth the policy for the sale of surplus real property that includes a section whereby the “Board of Directors reserves the right to waive any provisions of the policy in unusual or unique circumstances when strict adherence would not be in the best interest of the public generally”; and

WHEREAS, in August 2015, The City of Hot Springs acquired the real property located at 101 Park Avenue, the former Majestic Hotel site, in the amount of \$685,000 from Kansas City, Missouri developer Garrison Hassenflu. The Majestic Hotel complex was comprised of five structures spread across 5.2 acres located at the intersection of Park, Central, and Whittington Avenues and operated continuously from 1882 until its closing in 2006. The oldest section of the Majestic Hotel (Yellow brick Section) was destroyed by fire in 2014 and was later demolished with the three remaining structures in 2016 following the City’s purchase of the property; and

WHEREAS, the subject property has been remediated to residential environmental clearance levels and ADEQ issued a Brownfield Certificate of Completion with no further action and declared the property ready for productive use and development; and

WHEREAS, according to the Garland County Assessor, the subject property has a current estimated market value of \$1,620,200.00, and an appraised value of \$2,250,000.00; and

WHEREAS, R.A. Wilson Enterprises, Inc. has tendered an offer to purchase said real property located at 101 Park Avenue, more particularly described below, for the purpose of developing and constructing an outdoor entertainment venue:

Hot Springs Reservation Blocks 140, All of Lot 4, part of Lot 029 (0.98 acres) ID#55588; Block 001 Lot 001 (0.29 acres) ID#41414; Block 140 parts of Lots 2, 3 and 28 & all of Lot 001 (2.022 acres) ID#55586; and Block 140 Lot 002 and 003 (1.819 acres) ID#55587, according to Garland County Assessor records.

at a price of \$2,163,128.00, which exceeds three-fourths (3/4) of its value, as required by Resolution No. 9347.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the City of Hot Springs, Arkansas:

Section 1: That it is hereby found and determined that due to the unique and unusual circumstances surrounding the real property at 101 Park Avenue, it is neither feasible nor practicable to adhere to the requirements set forth in Resolution No. 9347 for the sale of surplus property; and therefore, said requirements are hereby waived.


Section 2: That the Mayor and City Clerk are hereby authorized and directed to execute the real estate contract tendered by R.A. Wilson Enterprises, Inc., and, with the advice and consent of the City Manager and City Attorney, to further execute any appropriate deed, escrow agreement, and closing documents necessary to effectuate the sale of the aforementioned real property pursuant to said contract.

PASSED: July 20, 2021

APPROVED: 
PAT McCABE, MAYOR

ATTEST: 
HARMONY MORRISSEY, CITY CLERK

APPROVED AS TO LEGAL FORM:


BRIAN W. ALBRIGHT, CITY ATTORNEY