
CITY OF PORT LAVACA

PORT COMMISSION MEETING: AUGUST 16, 2022 **AGENDA ITEM #8**

DATE: 08/14/2022

TO: PORT COMMISSION

CC: JIM RUDELLAT, HARBOR MASTER

FROM: JODY WEAVER, INTERIM CITY MANAGER

SUBJECT: Lease of Tracts 3, 11 and 12 at the Harbor of Refuge

We executed an Agreed Order Conditioning Automatic Stay regarding Tracts 3, 11, and 12 at the Harbor of Refuge.

On or before August 31, we shall receive payment of all rent and dock charges owed for the post-petition period of December 9 through August 31, not included late fees. This amount is \$47,854.43. As of September 1, the rent increases by 5% and they will pay \$5,789.52/month (including dock fees) until surrender of the property or further order of the court.

If there is a default on this agreement, they will have 10 days to cure. If they do not cure, then the automatic stay shall terminate, and we can begin eviction proceedings.

It is my understanding that it is anticipated that the property will be surrendered in October or November.

With this in mind, I propose that we prepare to advertise for bids for these tracts in December or as soon as practical after the tracts are surrendered.

I will be looking for the Port Commission to set a minimum bid amount for these tracts. This will be voted on at a later meeting.

Last year the minimum amounts were \$2,800 for Tract 3 and \$1,760.00/month for Tract 11 (which was the combination of former 11 and 12)

For example:

A 5% increase would be \$2,940.00 and \$1,848.00 respectively

A 12% increase would be \$3,136.00 and \$1,971.20 respectively