



Agenda Item Summary

File #: 24-00549

Agenda Date: 6/11/2024

Agenda Item Name:

Approval to Retain Special Attorney for Celebration Pointe Bankruptcy Proceedings

Presenter:

Sylvia Torres

Description:

The filing for bankruptcy protection of several of the Celebration related entities has raised a question of whether any interest of the County may be impacted. While tax assessments survive bankruptcy, it is in the interest of the Tax Collector to monitor the process just as it is in the interest of the County to monitor the process to protect its interest. The retention of bankruptcy counsel will accomplish this. Alachua County Code of Ordinances Sec. 21.42 authorizes the retention of special counsel.

Recommended Action:

Approve the contract with MarksGray, P.A. for legal services in the matter of the bankruptcy of the Celebration related entities.

Prior Board Motions:

None

Fiscal Note:

The amount needed is unknown. There is budget of \$50,000 set aside in Special Expense for situations such as this. This funding is still available in FY24 and is included in the County Manager's FY25 budget

Strategic Guide:

All Other Mandatory and Discretionary Services

Background:

A number of the entities associated with the development and operation of Celebration Point have filed and are seeking protection in bankruptcy. From time to time the County has provided certain support in the development of the infrastructure in that area. Additionally, the entities are taxpayers and owe taxes which are outstanding. These consist of real property and tangible property taxes. In order to monitor the bankruptcy for the protection of the County in its dealing with these and related entities which may become enmeshed in the bankruptcy and to ensure that the outstanding taxes receive the appropriate treatment in bankruptcy, the County Attorney has consulted with the Tax Collector who has agreed to the retention of outside counsel who would appear on behalf of the Tax Collector and through that role be able to keep a closer eye on proceedings which might impact the County. This is a

specialized service and the Alachua County Code of Ordinances allow for the retention of special counsel in certain circumstances.