



## City Council Agenda Item

**City Council Meeting Date:** May 21, 2024

**TO:** Honorable Mayor and City Council Members

**FROM:** Jeff Malawy, City Attorney  
Jmalawy@awattorneys.com

**SUBJECT:** Approval of a Tenth Amendment to the Memorandum of Understanding with Pale Blue Dot, Inc. to Extend the Exclusive Negotiating Period, for a Proposed Development of a Space Center Project on Approximately 82 Acres Including and Adjacent to Ken Adam Park

---

### **Recommendation:**

Staff recommends that if the Lease / Disposition and Development Agreement (Lease/DDA) is continued to a future meeting, the City Council consider whether to approve a Tenth Amendment (Attachment 1) to the Memorandum of Understanding (MOU) with Pale Blue Dot to extend the exclusive negotiating period under the MOU, which currently expires on May 21, 2024, to a future date.

### **Background:**

The City entered into a Memorandum of Understanding (MOU) with Pale Blue Dot Ventures, Inc. (Pale Blue Dot or PBD) in July 2019 (Attachment 2). The purpose of the MOU is to provide a period during which the City will negotiate exclusively with Pale Blue Dot toward a proposed eventual development of a space center project on approximately 82 acres of City-owned property including and adjacent to Ken Adam Park (Property). Until the MOU expires, the City cannot negotiate with any entity other than Pale Blue Dot regarding the Property, and cannot consider approval of any development use for the Property other than Pale Blue Dot's proposed project.

On December 9, 2023, the City Council extended the expiration date of the MOU from December 31, 2023, to May 21, 2024, to continue negotiating a disposition and development agreement with Pale Blue Dot.

### **Discussion**

The Lease/DDA is on this May 21, 2024 City Council meeting agenda. If the Lease/DDA is approved, then the MOU automatically ends and the Lease/DDA becomes the governing document for the Project. If the Lease/DDA is not approved at this meeting, then the MOU will expire because May 21 is the last day until the MOU expires, unless extended.

This extension item is on the agenda in case the City Council wishes to continue the Lease/DDA consideration to a future meeting. If that is the case, then the City Council can vote to extend the MOU to a future date. Council would need to select an appropriate date.

**Fiscal Impact:**

The City's staff costs, legal costs, and consultant costs for negotiating the DDA are covered by Pale Blue Dot under the terms of the MOU. The Tenth Amendment requires Pale Blue Dot to cover the costs of preparing that amendment.

**Conclusion:**

The City Council may consider whether or not to extend the MOU and continue with the Pale Blue Dot project proposal.

Respectfully submitted,



---

Jeff Malawy, City Attorney

- Attachments: 1) Tenth Amendment to MOU  
2) MOU