

MEMORANDUM

TO: MAYOR AND CITY COMMISSION

FROM: CITY ATTORNEY'S OFFICE

DATE: December 15, 2025

RE: **Termination of Acquisition and Redevelopment
Agreement with ONICX Investments II, LLC**

On May 2, 2022, the City Commission approved an Acquisition and Redevelopment Agreement with ONICX Investments II, LLC (Onicx) for the development of a multi-family and retail/office mixed use development, with associated parking garage, on a 1.49-acre CRA-owned property located north of E. Oak Street, east of N. Tennessee Avenue, south of E. Peachtree Street and west of N. Kentucky Avenue. The property is currently being utilized as a 150-space surface parking lot and is commonly referred to as the Oak Street Parking Lot.

Under the Agreement, closing was to have occurred within thirty (30) days of the satisfaction of all closing conditions, but no later than twelve (12) months following the Effective Date of the Agreement, unless otherwise extended as provided in the Agreement. The Agreement allowed Onicx to extend the closing date for up to two 30-day periods at no cost to Onicx. The Agreement also provided Onicx the right to request additional 30-day extensions by submitting written requests to the CRA and including a \$10,000 extension fee with each additional extension request. The extension fees were to be credited against the purchase price at closing or retained by the CRA in the event Onicx failed to close.

Onicx has submitted a total of twenty (20) requests to extend the closing date, including the initial two free extension requests, making \$180,000 in extension payments to the escrow agent. Together with the initial deposit of \$25,000, the escrow agent currently holds \$205,000 in deposits. Onicx last made an extension payment on December 9, 2024 and, as a result, is in default of the Agreement. Onicx met with City staff on May 20, 2025 and expressed a continued commitment to the project, but no significant progress has occurred since such time and no additional extension payments have been made.

Because no meaningful progress has taken place to advance this project for some time and Onicx has not submitted the required additional deposits to extend the closing date, it is staff's opinion that no additional extensions will result in delivery of the project envisioned by the CRA and City of Lakeland at the time the RFP was

awarded to Onicx. As a result, it is recommended that the City Commission, acting as the Lakeland Community Redevelopment Agency, terminate the Acquisition and Redevelopment Agreement with ONICX Investments II, LLC and authorize staff to direct the escrow agent to forward payment of the \$205,000 deposit amount currently held by the escrow agent to the CRA.

