

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Rickelle Williams, Interim City Manager

DATE: June 26, 2024

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO.1 TO THE LEASE AGREEMENT DATED OCTOBER 1, 2004 (AGREEMENT), BY AND BETWEEN PARKVIEW POINT CONDOMINIUM ASSOCIATION, INC (LESSOR) AND THE CITY OF MIAMI BEACH, FLORIDA (LESSEE); SAID AMENDMENT APPROVING THE ONLY RENEWAL TERM UNDER THE AGREEMENT FOR A PERIOD OF TEN (10) YEARS, COMMENCING ON SEPTEMBER 1, 2024 AND EXPIRING ON AUGUST 31, 2034, AND MODIFYING THE ANNUAL USE PAYMENT AMOUNT DURING THE RENEWAL TERM AS NEGOTIATED BY THE PARTIES; AND FURTHER AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE THE AMENDMENT.

RECOMMENDATION

The Administration recommends that the Mayor and City Commission adopt the Resolution.

BACKGROUND/HISTORY

For several decades, the City has used certain privately-owned condominium towers for the location and operation of public facilities.

On October 15, 2003, the Mayor and City Commission adopted Resolution No. 2003-25382, approving a Lease Agreement with Parkview Point Condominium Association, Inc. ("Parkview Point") for an initial term of twenty (20) years, with one (1) renewal option, upon mutual agreement of the parties, for a term of ten (10) years. The City and Parkview Point executed the Lease Agreement, dated October 1, 2004, with an effective date of September 1, 2004 (the "Agreement"), with the initial term currently set to expire on August 31, 2024.

ANALYSIS

On April 5, 2024, Parkview Point notified the City of their desire to modify the annual Use Payment under the Agreement for the renewal term, attached hereto as Exhibit A. Park View proposed that for the first year of the renewal term of the Agreement, beginning on September 1, 2024, the effective Use Payment amount would be thirty-four thousand one hundred and forty dollars (\$34,140.00) per year, payable in quarterly payments of \$8,535.00, and for each successive year the Agreement remains in effect. The Use Payment would be increased by four and a half percent (4.5%) per year.

The requested modifications to the Use Payment are more in line with other agreements the City currently has in place for the same use in other privately owned condominiums.

FISCAL IMPACT STATEMENT

The fiscal impact is \$34,140.00 and has been funded in FY 2024.

Does this Ordinance require a Business Impact Estimate?
(FOR ORDINANCES ONLY)

The Business Impact Estimate (BIE) was published on . See BIE at:
<https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notice/>

FINANCIAL INFORMATION

CONCLUSION

In consideration of the foregoing, the Administration recommends in favor of approving, in substantial form, the proposed Amendment No.1 to the Agreement, incorporated herein by reference and attached hereby as Exhibit B; said Amendment approving the ten-year renewal term, commencing September 1, 2024 and ending August 31, 2034, and modifying the Use Payment for such renewal term as negotiated by the parties.

Applicable Area

North Beach

Is this a “Residents Right to Know” item, pursuant to City Code Section 2-17?

No

Is this item related to a G.O. Bond Project?

No

Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying? No

If so, specify the name of lobbyist(s) and principal(s):

Department

Facilities and Fleet Management / Fire

Sponsor(s)

Co-sponsor(s)