

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, DIRECTING THAT ALL RENT IN EXCESS OF THE MINIMUM FIXED RENT RECEIVED PURSUANT TO THE DEVELOPMENT AND GROUND LEASE AGREEMENT BETWEEN THE CITY AND MB MIXED USE INVESTMENT, LLC, FOR THE DEVELOPMENT AND OPERATION OF THE CONVENTION CENTER HEADQUARTER HOTEL BE EARMARKED FOR THE PURPOSE OF PROMOTING AND SUPPORTING WORKFORCE AND AFFORDABLE HOUSING DEVELOPMENT, INCLUDING BUT NOT LIMITED TO LAND ACQUISITION, CONSTRUCTION, SUBSIDIES, OR OTHER RELATED EXPENSES FOR THE CREATION OF WORKFORCE AND AFFORDABLE HOUSING UNITS IN THE CITY, AS DETERMINED BY THE CITY COMMISSION FROM TIME TO TIME; AND DIRECTING THE ADMINISTRATION TO PROVIDE, NOT LESS FREQUENTLY THAN ANNUALLY COMMENCING ON THE FIRST YEAR ANNIVERSARY OF THE OPENING OF THE MIAMI BEACH CONVENTION CENTER HEADQUARTER HOTEL, PERIODIC REPORTS TO THE CITY COMMISSION REGARDING THE AMOUNT OF RENT COLLECTED IN EXCESS OF THE MINIMUM FIXED RENT.

WHEREAS, on or about May 17, 2018, the City issued Request for Proposal No. 2018-238-KB, for the Development of a Convention Hotel Adjacent to the Miami Beach Convention Center ("RFP"); and

WHEREAS, after a competitive RFP process, and the City having fully considered the Lease Agreement at two duly noticed public hearings in compliance with Section 163.3225 of the Florida Local Government Development Act, the City, through Resolution No. 2018-30425, approved a development and ground lease agreement (the "Lease Agreement") between the City and MB Mixed Use Investment, LLC, a Florida limited liability company owned and controlled by Parent (the "Developer"), for the development and operation of the Convention Center Hotel contemplated by the Redevelopment Plan at the location defined in the Lease Agreement (the "Hotel Parcel"); and

WHEREAS, the Developer has timely completed the design of the Convention Center Hotel in accordance with the Lease Agreement, and has also timely completed the preparation of the Hotel Parcel for vertical construction; and

WHEREAS, the Hotel Parcel is ready for the commencement of construction of the Convention Center Hotel upon the closing of construction financing; and

WHEREAS, it is anticipated that the Convention Center Hotel will open to the public in the last quarter of 2027; and

WHEREAS, pursuant to Section 1.03(b)(3) of the City Charter, as it existed at the time, the Lease was subject to approval by vote of at least sixty percent (60%) of the voters voting in the City-wide referendum conducted on November 6, 2018. In addition to approving the Lease, the voters approved the following question: *"If voters approve the City's Convention Center Hotel lease with MB Mixed Use Investment, LLC, shall the City adopt an ordinance dedicating the Hotel's guaranteed rent payments received by the City, to enhance funding, in equal portions annually, for:*

- *stormwater projects (in lieu of rate increases),*
- *traffic reduction measures, and*
- *education," with any amendment of such ordinance subject to supermajority (5/7ths) City Commission approval?; and*

WHEREAS, the Minimum Fixed Rent, as defined in Section 4.4(a)(i) of the Lease Agreement, shall be used for the purposes set forth in the 2018 voter referendum question related to the use of guaranteed rent payments; and

WHEREAS, the City will receive rent over and above the Minimum Fixed Rent, including (a) the amount by which the Base Rent exceeds the Minimum Fixed Rent and (b) Transaction Rent (as defined in Section 4.4(b) of the Lease Agreement) (collectively, "Available MBCC Hotel Rent"); and

WHEREAS, the City Commission desires that the Available MBCC Hotel Rent be earmarked for workforce and/or affordable workforce housing projects in the City, in order to address the growing need for affordable housing and to support the sustainability of the City's workforce, which will benefit the long-term economic and social health of the community; and

WHEREAS, the City Commission has determined that dedicating such Available MBCC Hotel Rent towards workforce and affordable workforce housing projects will ensure that the benefits derived from the Hotel Project will support the City's broader goals of equity, opportunity, and community development.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby direct that all rent payments received by the City in excess of the Minimum Fixed Rent, as defined in Section 4.4(a)(i) of the Ground Lease Agreement between the City and MB Mixed Use Investment, LLC, for the development and operation of the Miami Beach Convention Center headquarter hotel (the "Lease Agreement") be earmarked for the purpose of promoting and supporting workforce and affordable housing development, including but not limited to land acquisition, construction, subsidies, or other related expenses for the creation of workforce and affordable housing units in the City, as determined by the City Commission from time to time; and direct the Administration to provide, not less frequently than annually commencing on the first year anniversary of the opening of the Miami Beach Convention Center headquarter hotel, periodic reports to the City Commission regarding the amount of rent collected in excess of the Minimum Fixed Rent.

PASSED and ADOPTED this ____ day of _____, 2024.

ATTEST:

Steven Meiner, Mayor

Rafael E. Granado, City Clerk

(Sponsored by Vice Mayor Tanya K. Bhatt)

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney

12/1/2024

Date