

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXTEND THE OUTSIDE POSSESSION DATE FOR UP TO SIXTY (60) DAYS FOR THE CONVENTION CENTER HOTEL PROJECT (THE "PROJECT") BEING DEVELOPED PURSUANT TO THE DEVELOPMENT AND GROUND LEASE AGREEMENT WITH MB MIXED USE INVESTMENT, LLC ("THE DEVELOPER"), TO THE EXTENT REASONABLY REQUIRED FOR THE DEVELOPER TO ACHIEVE FINANCIAL CLOSE.**

**WHEREAS**, on July 25, 2018, the Mayor and City Commission adopted Resolution No. 2018-30425, approving the lease (the "Lease") between the City of Miami Beach (the "City") and MB Mixed Use Investment Holdings, LLC (the "Developer"), for the construction and development of the Miami Beach Convention Center Hotel (the "Hotel Project") at the site (the "Site") located at the northeast corner of Convention Center Drive and 17th Street as defined in the Lease; and

**WHEREAS**, on November 6, 2018, more than sixty percent (60%) of the voters voting thereon in a City-wide referendum approved of the Lease as required by Section 1.03(b)(3) of the City Code; and

**WHEREAS**, completion of the Hotel Project is essential to ensuring the viability of the Convention Center as a destination for high profile and high-economic-impact events; and

**WHEREAS**, on December 9, 2019, the City approved the Grand Hyatt Hotel brand pursuant to Section 13.3 of the Hotel lease; and

**WHEREAS**, on March 4, 2020, the City and the Developer entered into an early access agreement (the "Early Access Agreement") to grant access to the Developer to the Site and to certain other areas, so that the Developer could perform certain pre-construction activities (the "Early Work") that would accelerate the timeline for construction of the Hotel Project; and

**WHEREAS**, on March 13, 2020, the Developer notified the City they were asserting a Force Majeure event and an Economic Force Majeure event with respect to the COVID-19 pandemic; and

**WHEREAS**, on April 14, 2022, pursuant to the Early Access Agreement, the Hotel Developer's contractor mobilized on the Site and commenced the initial phases of the Early Work; and

**WHEREAS**, on November 16, 2023, the Developer notified the City that they were asserting an Economic Force Majeure event due to impaired access to financial markets for development of projects in the United States similar to the Grand Hyatt Hotel project, which delayed their ability to finance the full construction of the hotel project; and

**WHEREAS**, on November 17, 2023, LTC 515-2023 advised the Mayor and City Commission that the Developer experienced a significant increase in project costs due to rising construction costs and interest rates, and needed additional time to secure the financing required to fund the Hotel project; and

**WHEREAS**, on April 9, 2024, the early site work Certificate of Completion was issued, making the site available for the commencement of the vertical construction upon site possession by the Hotel developer; and

**WHEREAS**, the Miami-Dade Board of County Commissioners, the City Commission, and the Board of the Miami Beach Redevelopment Agency (the "RDA") each approved a Sixth Amendment to the RDA Interlocal Agreement to authorize additional funding (the "Grant") to allow for the expeditious development of the Hotel Project; and

**WHEREAS**, the Lease requires that the Project must achieve financial close on all required debt and equity sources for the full construction cost of the Project in order for Developer to take possession of the Subject Property; and

**WHEREAS**, the Developer is currently finalizing all applicable financing documents in anticipation of loan closing and site possession; and

**WHEREAS**, the Project development cost is approximately \$600 Million and will require coordination with multiple lenders and investors and obtain approval from Miami-Dade County of the final form of the Grant; and

**WHEREAS**, the current outside possession date required by the Lease is April 1, 2025 (the "Outside Possession Date"); and

**WHEREAS**, the Developer anticipates that limited additional time may be required to finalize all applicable loan documents and obtain approval from Miami-Dade County of the final form of the Grant; and

**WHEREAS**, the Administration recommends granting the City Manager the authority to approve, on behalf of the City, a sixty (60) day extension, to the Lease Outside Possession Date, to the extent reasonably required for Developer to finalize its financing, and to execute any documents required to evidence such extension.

**NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, that the City Manager shall have the authority to approve, on behalf of the City, a sixty (60) day extension to the Lease Outside Possession Date, to the extent the City Manager reasonably determines that any such extension is required for Developer to achieve financial close and otherwise satisfy the Possession Conditions set forth in the Lease, and that the City Manager shall be authorized to execute any documents required to evidence such extension.

**PASSED and ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2025

**ATTEST:**

\_\_\_\_\_  
Rafael E. Granado, City Clerk

\_\_\_\_\_  
Steven Meiner, Mayor

APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

  
\_\_\_\_\_  
City Attorney

3/12/2025  
\_\_\_\_\_  
Date