

RDA-2. A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 3 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND OPEN VISION ONE, LLC (TENANT), FOR USE OF APPROXIMATELY 4,236 SQUARE FEET OF GROUND FLOOR RETAIL SPACE AT THE ANCHOR SHOPS AND GARAGE, LOCATED AT 1560 COLLINS AVENUE, SUITE NOS. 3-4, TO EXTEND THE RENT ABATEMENT PERIOD TO THE EARLIER OF: (I) THE OPENING OF THE PREMISES OR (II) AN ADDITIONAL EIGHT (8) MONTH PERIOD, FROM APRIL 25, 2025 THROUGH DECEMBER 24, 2025, DUE TO CONSTRUCTION AND PERMITTING DELAYS; AND FURTHER AUTHORIZING THE EXECUTIVE DIRECTOR TO FINALIZE AND EXECUTE AMENDMENT NO. 3.

Applicable Area:



COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, Executive Director

DATE: June 25, 2025

TITLE: A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 3 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND OPEN VISION ONE, LLC (TENANT), FOR USE OF APPROXIMATELY 4,236 SQUARE FEET OF GROUND FLOOR RETAIL SPACE AT THE ANCHOR SHOPS AND GARAGE, LOCATED AT 1560 COLLINS AVENUE, SUITE NOS. 3-4, TO EXTEND THE RENT ABATEMENT PERIOD TO THE EARLIER OF: (I) THE OPENING OF THE PREMISES OR (II) AN ADDITIONAL EIGHT (8) MONTH PERIOD, FROM APRIL 25, 2025 THROUGH DECEMBER 24, 2025, DUE TO CONSTRUCTION AND PERMITTING DELAYS; AND FURTHER AUTHORIZING THE EXECUTIVE DIRECTOR TO FINALIZE AND EXECUTE AMENDMENT NO. 3.

RECOMMENDATION

The Administration recommends that the Chairperson and Members of the Miami Beach Redevelopment Agency approve Amendment No. 3 to the Lease Agreement with Open Vision One, LLC, extending the rent abatement period through December 24, 2025.

BACKGROUND/HISTORY

On January 13, 2023, the Miami Beach Redevelopment Agency ("Landlord") entered into a Lease Agreement with Open Vision One, LLC ("Tenant") for approximately 4,236 square feet of ground floor retail space located at 1560 Collins Avenue, Suites 3 and 4. The space was leased for the development and operation of a fine dining restaurant concept known as "Open Vision." The Lease term is nine (9) years and three hundred sixty-four (364) days, commencing January 25, 2023, and ending January 23, 2033.

Under the original Lease terms, the Tenant received a rent abatement period during which the Tenant was not obligated to pay monthly Minimum Rent of \$26,475.00, a Concession Fee, or any Percentage Rent, but remained responsible for monthly Operating Expenses. This initial abatement period was set to expire on September 24, 2024.

Due to delays stemming from the permitting process for a required grease trap installation, the Tenant requested and was granted an eight-month extension of the rent abatement period (Amendment No. 2), which was approved by the RDA via Resolution No. 701-2024. The extension covered the period from August 25, 2024, through April 24, 2025.

As construction and permitting challenges have continued, the Tenant submitted a request on April 10, 2025, as shown in Exhibit A, seeking a further eight-month extension of the abatement period to allow sufficient time for construction completion and final inspections.

ANALYSIS

The Tenant is contractually obligated to pay Minimum Rent in the amount of \$27,269.25 per month, in addition to a Concession Fee and Percentage Rent, once the abatement period ends. However, given the complexity of the required grease trap installation and the extended review process by the Department of Regulatory and Economic Resources (DERM), the Tenant has experienced significant delays in completing its buildout and obtaining final permits to commence operations.

These delays have been beyond the Tenant's control and have impacted the originally anticipated project timeline and budget. In recognition of these circumstances, the Tenant has requested a third amendment to the Lease to extend the rent abatement period for an additional eight (8) months, from April 25, 2025 through December 24, 2025.

During this extended abatement period, the Tenant will continue to pay monthly Operating Expenses, currently estimated at approximately \$4,942.00, ensuring the Landlord continues to recover its out-of-pocket property-related costs. The additional time will help the Tenant finalize buildout activities and secure all necessary operational approvals, supporting the long-term success of the restaurant's opening. The abatement period is extended to the earlier of: (i) the opening of the Premises or (ii) an additional eight (8) month period, from April 25, 2025 through December 24, 2025.

The Open Vision concept is expected to enhance the culinary and experiential offerings at the Anchor Shops and Garage, and the proposed amendment represents a collaborative effort to support tenant success and uphold the City's broader revitalization and economic development goals.

FISCAL IMPACT STATEMENT

The fiscal impact of the proposed Amendment No. 3 includes the deferral of the Tenant's Minimum Rent, Concession Fee, and Percentage Rent obligations during the requested eight-month extension. Based on the Lease's current rent schedule, this equates to a deferral of approximately \$218,154.00 in Minimum Rent revenue in addition to the forgone collection of associated Concession Fees and any Percentage Rent that would have been due if operations had commenced.

Despite the temporary deferral of this revenue, the Tenant will continue to pay monthly Operating Expenses of approximately \$4,942.00, totaling \$39,536.00 over the eight-month extension. These payments ensure that the Landlord continues to recover essential costs tied to maintaining the premises during the abatement period.

The proposed amendment does not increase the total lease term or provide additional economic incentives. Rather, it aligns the rent commencement timeline with realistic construction milestones, thereby preserving the Lease's long-term financial structure and enhancing the likelihood of full tenant occupancy and revenue generation in future lease years.

Does this Ordinance require a Business Impact Estimate?

(FOR ORDINANCES ONLY)

If applicable, the Business Impact Estimate (BIE) was published on:

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notice/>

FINANCIAL INFORMATION

CONCLUSION

The Administration recommends that the that the Chairperson and Members of the RDA hereby approve, in substantial form, Amendment No. 3 to the Lease Agreement between the RDA (Landlord) and Open Vision One, LLC (Tenant), for use of approximately 4,236 square feet of ground floor retail space at the Anchor Shops and Garage, located at 1560 Collins Avenue, Suite Nos. 3-4, to extend the Rent Abatement Period to the earlier of: (i) the opening of the Premises or (ii) an additional eight (8) month period, from April 25 , 2025 through December24, 2025, due to construction and permitting delays; and further authorize the Executive Director to finalize and execute Amendment No. 3.

Applicable Area

South 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

Sponsor(s)

Co-sponsor(s)

Condensed Title

Approve Amendment 3 Lease w/ Open Vision One, LLC, for Add'l (8) Months Rent Abatement.
FF

Previous Action (For City Clerk Use Only)

April 10, 2025

Mr. Ozzie Dominguez,
CSM Director of Asset Management
Facilities and Fleet Management Dept.
City of Miami Beach
1833 Bay Road, 2nd Floor
Miami Beach, Florida 33139

Re: Request for Extension of Rent Commencement Date and Rent Abatement Period of the Lease between the City of Miami Beach and Open Vision One, LLC for the Property Located at 1560 Collins Avenue, Suites 3 and 4

Dear Ozzie:

As you know, this firm represents Open Vision One (the “Tenant”) with respect to the Lease between the Tenant and the City of Miami Beach (the “City”) for the property located at 1560 Collins Avenue, Suites 3 and 4 (the “Property”). Please allow this correspondence to serve as a request for Extension of the Rent Commencement Date and Rent Abatement Period of the Lease between the City of Miami Beach and the Tenant for the Property (the “Lease”).

Description of the Property. The Property is located on the south side of 16th Street between Collins and Washington Avenues, in the GU, Government Use, zoning district. It is also located within the Ocean Drive/Collins Avenue Local Historic District and the Miami Beach Architectural District in the National Register of Historic Districts. Miami-Dade County identifies the property by Folio No.: 02-3234-019-1090. Pursuant to the Miami-Dade County Property Appraiser, the property is approximately 261,800 square feet and houses a five-story structure. The top four (4) levels of the structure house a parking garage, while the ground floor provides for commercial uses. This request pertains to suites 3 and 4, the Property.

Request. The Tenant is requesting an eight (8) month extension of time of the commencement date and rent abatement period of the Lease, or in the alternative through the time of receiving a Certificate of Use (CU) from the City of Miami Beach, whichever is earlier. This request is premised upon the permitting issues that have arisen at the Property. As you are aware, there were substantial delays with receiving DERM approval for the Property. Nevertheless, the Tenant did not allow the DERM delays to hinder its efforts. Below is a timeline of permit submission and reviews. You will note, the Tenant did not delay in their permit requests and have consistently pursued the issuance of permits from the City. Unfortunately, the delays from DERM may have impacted the City’s mechanical reviews and delayed the issuance of permit revisions dealing with mechanical aspects, not the least of which is the hood. Please refer to the timeline below:

- **January 13, 2023** – parties entered into a lease agreement



- **March 22, 2023** – BC2321139 - Tenant applied for master permit
 - July 20, 2023 – ***mechanical review passed***
 - ***April 8, 2024*** – permit issued after 4-rounds of comments (review cycles April 2023, July 2023, November 2023, March 2024)
- **June 6, 2024** - RV2422897 to BC2321139 – mechanical revision for gas line, outdoor seating and reconfiguration of toilets
 - 4-rounds of comments (June 2024, September 2024, December 2024, approved on January 15, 2025)
 - ***January 15, 2025*** – revision finalized
- **June 27, 2024** - ELC2414441 – applied for electrical permit for interior remodel
 - ***July 16, 2024*** – permit issued
- **July 1, 2024** – MEC2404476 -applied for mechanical sub-permit for hood
 - Failed reviews June 2024, July 2024, (review cycles for RV2422897 included September and December 2024), February 2025, March 2025)
 - Pending issuance of ***RV2422897***, which was January 2025
- **August 15, 2024** – ELC2414983 – applied for hook-up for new electrical signs
 - 3-rounds of comments (September 2024, October 2024, finalized during last round of comments January 2025)
 - ***February 10, 2025*** – permit issued
- **August 22, 2024** – FP0824-5600 – applied for hood suppression system (permit will not issue until mechanical permit is completed)
- **January 31, 2025** - FP0125-6032 – applied for fire occupant load for CU
- **January 31, 2025** – CU25-6684 – applied for CU
- **February 5, 2025** – PLC2511909 applied for gas line permit – natural gas meter to commercial cooking equipment
 - ***February 10, 2025*** – permit issued

No gap has existed between the filing of these permits and the pursuit of their issuance. Although no new permits were filed between the months of August 2024 and January 2025, as no new permits were necessary, the Tenant pursued the issuance of the applied for permits. During those months the Tenant went through several cycles of reviews for permits, including the mechanical permit (MEC2404476 – submissions for reviews September and December 2024); the electrical permit (ELC2414983 – submissions for reviews in September and October of 2024 and January 2025); and the revisions to the Master permit (RV2422897 to BC2321139 – submissions for

reviews in September and December 2024 and for January 2025). The tenant has actively pursued the issuance of all permits and has not allowed for this matter to be dormant.

While the Tenant was hopeful of having the restaurant open by April 1, 2025, the level of comments and delays in the issuance of permits have rendered that date impossible for opening. As a result, we are requesting an additional amendment and extension of the lease commencement date and rent abatement period for the Property.

Conclusion. The Tenant continues to demonstrate commitment to this process and the City. Their proposed establishment will be consistent with the uses in the area and improve the character of the neighborhood. We respectfully request your support for this extension request.

Should you have any questions or comments, please do not hesitate to contact me.

Sincerely,
MHE LAW PA

A handwritten signature in blue ink, appearing to read 'Monika H. Entin', is written over a light blue circular stamp.

Monika H. Entin

**AMENDMENT NO. 3 TO LEASE
BETWEEN
THE MIAMI BEACH REDEVELOPMENT AGENCY
AND
OPEN VISION ONE, LLC**

This Amendment No. 3 (Amendment) to the Lease, dated January 13, 2023 (Agreement), by and between the Miami Beach Redevelopment Agency (RDA), a Public Body Corporate and Politic and existing under the laws of the State of Florida, having its principal place of business at 1700 Convention Center Drive, Miami Beach, Florida 33139 (Landlord), and Open Vision One, LLC, a Florida limited liability company, having its principal place of business at 1560 Collins Avenue, Suites 3 and 4, Miami Beach, FL 33139 (Tenant), is entered into this ____ day of _____, 2025(Effective Date):

RECITALS

WHEREAS, on January 13, 2023, the Miami Beach Redevelopment Agency (“RDA” or “Landlord”) entered into a Lease Agreement with Open Vision One, LLC (“Tenant”) for the use of approximately 4,236 square feet of ground floor retail space located at 1560 Collins Avenue, Suites 3 and 4 (the “Premises”), for a fine dining restaurant concept known as “Open Vision,” for a term of nine (9) years and three hundred sixty-four (364) days, commencing on January 25, 2023 and ending on January 23, 2033; and

WHEREAS, under the Lease, the Tenant was granted a rent abatement period during which the Tenant was not obligated to pay Minimum Rent of \$26,475.00 per month, a Concession Fee, or any Percentage Rent, but remained responsible for monthly Operating Expenses; and

WHEREAS, on April 25, 2023, the Chairman and Members of the RDA adopted RDA Resolution No. 681-2023, approving Amendment No.1 to the Lease to adjust the Concession Fee for use of the Outside Concession Area; and

WHEREAS, on October 30, 2024, the Chairman and Members of the RDA adopted Resolution No. 701-2024, approving, in substantial form Amendment No. 2 to the Lease; said amendment extending the Abatement Period by eight (8) months due to delays related to the installation and permitting of a grease trap, covering the period from August 25, 2024 through April 24, 2025, during which period the monthly Minimum Rent amount was \$27,269.25 plus applicable sales tax; and

WHEREAS, the Tenant has continued to face permitting delays into 2025, specifically involving the Department of Regulatory and Economic Resources (DERM), which have hindered buildout progress and the ability to commence operations; and

WHEREAS, on April 10, 2025, the Tenant submitted a written request seeking an additional eight (8) month extension of the rent abatement period, from April 25, 2025

through December 24, 2025, to allow sufficient time to complete construction and obtain final permits; and

WHEREAS, during the requested extension of the Rent Abatement Period, the Tenant will continue to pay monthly Operating Expenses, currently estimated at approximately \$4,942.00 per month, but will not be required to pay Minimum Rent, a Concession Fee, or any Percentage Rent; and

WHEREAS, on _____, 2025, the Chairman and Members of the Miami Beach Redevelopment Agency adopted Resolution No. _____, approving Amendment No.3 to the Lease, granting Tenant the requested extension of the Rent Abatement Period.

NOW THEREFORE, in consideration of the mutual promises and conditions contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Landlord and Tenant hereby agree to amend the Lease as follows:

1. ABOVE RECITALS.

The above recitals are true and correct and are incorporated as part of this Amendment.

2. MODIFICATIONS.

The Agreement is hereby amended (deleted items ~~struck through~~ and inserted items underlined) as follows:

14. Term of Lease (Section 1.1):

Lease Term is nine (9) years and 364 Days from the Commencement Date.

"Commencement Date": The date Landlord delivers Premises to the Tenant.

"Rent Commencement Date": 1) Following the earlier of one hundred and eighty (180) days from Commencement Date; or 2) the date any portion of the Premises opens for business.

. Rent Abatement: During Months 2 - 24 29 following the Rent Commencement Date (months 8 - 27 35 of the Lease Term); or the date Tenant opens for business, whichever occurs first ("Rent Abatement Period"), Tenant shall not be required to pay the monthly Minimum Rent, Concession Fee or Percentage Rent payment that would otherwise be due; however, Tenant shall be required to pay for the monthly Operating Expense payment that would otherwise be due during this Rent Abatement Period.

14 RATIFICATION.

Except as amended herein, all other terms and conditions of the Lase shall remain unchanged and in full force and effect. In the event there is a conflict between the

provisions of this Amendment and the Lease, the provisions of this Amendment shall govern.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

DRAFT

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their appropriate officials, as of the date first entered above.

FOR LANDLORD:

**THE MIAMI BEACH
REDEVELOPMENT AGENCY**

ATTEST:

By: _____
Rafael E. Granado, Secretary

**Eric T. Carpenter,
Executive Director**

Date

FOR TENANT:

OPEN VISION ONE, LLC

ATTEST:

By: _____

President

Print Name

Print Name

Date

RESOLUTION NO. _____

A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 3 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND OPEN VISION ONE, LLC (TENANT), FOR USE OF APPROXIMATELY 4,236 SQUARE FEET OF GROUND FLOOR RETAIL SPACE AT THE ANCHOR SHOPS AND GARAGE, LOCATED AT 1560 COLLINS AVENUE, SUITE NOS. 3-4, TO EXTEND THE RENT ABATEMENT PERIOD TO THE EARLIER OF: (I) THE OPENING OF THE PREMISES OR (II) AN ADDITIONAL EIGHT (8) MONTH PERIOD, FROM APRIL 25, 2025 THROUGH DECEMBER 24, 2025, DUE TO CONSTRUCTION AND PERMITTING DELAYS; AND FURTHER, AUTHORIZING THE EXECUTIVE DIRECTOR TO FINALIZE AND EXECUTE AMENDMENT NO. 3.

WHEREAS, on January 13, 2023, the Miami Beach Redevelopment Agency ("RDA" or "Landlord") entered into a Lease Agreement with Open Vision One, LLC ("Tenant") for approximately 4,236 square feet of ground floor retail space located at 1560 Collins Avenue, Suites 3 and 4 (the "Premises"), for a fine dining restaurant concept known as "Open Vision," for a term of nine (9) years and three hundred sixty-four (364) days, commencing on January 25, 2023 and ending on January 23, 2033; and

WHEREAS, under the Lease, the Tenant was initially granted a Rent Abatement Period during months two (2) through thirteen (13) following the Rent Commencement Date, during which Rent Abatement Period the Tenant was not obligated to pay the Minimum Rent, at the time \$26,475.00 per month plus applicable sales, a Concession Fee, or any Percentage Rent, but remained responsible for monthly Operating Expenses; and

WHEREAS, on April 25, 2023, the Chairman and Members of the RDA adopted RDA Resolution No. 681-2023, approving Amendment No.1 to the Lease to adjust the Concession Fee for use of the Outside Concession Area; and

WHEREAS, on October 30, 2024, the Chairman and Members of the RDA adopted Resolution No. 701-2024, approving, in substantial form, Amendment No. 2; said amendment extending the Rent Abatement Period by eight (8) months due to delays related to the installation and permitting of a grease trap, covering the period from August 25, 2024 through April 24, 2025, during which period the monthly Minimum Rent amount was \$27,269.25 plus applicable sales tax; and

WHEREAS, the Tenant has continued to face construction and permitting delays into 2025, specifically involving the Department of Regulatory and Economic Resources, which have hindered the buildout progress and the ability to commence operations; and

WHEREAS, on April 10, 2025, the Tenant submitted a written request seeking an additional eight (8) month extension of the Rent Abatement Period, from April 25, 2025 through December 24, 2025, to allow sufficient time to complete construction and obtain final permits; and

WHEREAS, during the requested extension of the Rent Abatement Period, the Tenant will continue to pay monthly Operating Expenses, currently estimated at approximately \$4,942.00 per month, but will not be required to pay Minimum Rent, a Concession Fee, or any Percentage Rent; and

WHEREAS, during this extended Rent Abatement Period, even though Tenant is not making Rent payments, the monthly Minimum Rent amount and the Concession Fee will continue to escalate by 3% per year on July 25th of each year and

WHEREAS, the approval, in substantial form, of Amendment No. 3 to the Lease, a draft copy of which is attached to the RDA Memorandum accompanying this Resolution as Exhibit B, will serve to reflect the revised construction timeline while preserving the long-term financial intent of the Lease, and provide the Tenant with flexibility to complete buildout and begin operations.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY, that the Chairperson and Members of the RDA hereby approve, in substantial form, Amendment No. 3 to the Lease Agreement between the RDA (Landlord) and Open Vision One, LLC (Tenant), for use of approximately 4,236 square feet of ground floor retail space at the Anchor Shops and Garage, located at 1560 Collins Avenue, Suite Nos. 3-4, to extend the Rent Abatement Period to the earlier of: (i) the opening of the Premises or (ii) an additional eight (8) month period, from April 25 , 2025 through December24, 2025, due to construction and permitting delays; and further, authorize the Executive Director to finalize and execute Amendment No. 3.

PASSED and **ADOPTED** this ____ day of _____ 2025.

ATTEST:

Rafael E. Granado, Secretary

Steven Meiner, Chairperson

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

Redevelopment Agency
General Counsel

Date

6/13/2025