

C7 M 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 CITY MANAGER TO EXECUTE THE AMENDMENT.



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-notices/>

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)

RESOLUTION NO. _____

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.

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

WHEREAS, 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; and

WHEREAS, 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; and

WHEREAS, 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; and

WHEREAS, 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; and

WHEREAS, 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; and

WHEREAS, the Administration recommends in favor of approving, in substantial form, the proposed Amendment No.1 to the Agreement, incorporated herein by reference and attached to the City Commission Memorandum accompanying this Resolution; 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.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby approve, 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 authorize the Interim City Manager to execute the Amendment.


PASSED AND ADOPTED this ____ day of _____ 2024.


Steven Meiner, Mayor

ATTEST:

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION



City Attorney 

5/4/2024

Date



Date: April 5, 2024

Greetings,

Parkview Point Condominium Association intends to exercise the renewal option with the City of Miami Beach for the portion of the roof lease and requests a new financial term for such renewal term to be: starting rent effective September 1, 2024 at \$34,140.00 with annual increases of 4.5%.

Thank you.

On behalf of Parkview Point Board of directors,

A handwritten signature in blue ink, appearing to read "Vuk Dinic", is written over a horizontal line.

Board President - Vuk Dinic

A handwritten date "4/5/24" in blue ink is written over a horizontal line.

Dated

EXHIBIT B

AMENDMENT NO. 1 TO LEASE AGREEMENT BETWEEN THE CITY OF MIAMI BEACH, FLORIDA AND PARKVIEW POINT CONDOMINIUM ASSOCIATION, INC

This Amendment No. 1 ("Amendment") to the Lease Agreement, dated October 1, 2004, by and between Parkview Point Condominium Association, Inc., having its principal office at 7441 Wayne Avenue, Miami Beach, FL 33141 ("City" or "Lessor"), and the City of Miami Beach, Florida, a municipal corporation organized 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 ("Lessee"), is entered into this ____ day of _____, 2024 (Effective Date):

RECITALS

WHEREAS, pursuant to Resolution No. 2003-25382, the City, as Lessor, negotiated and entered into a Lease Agreement with Lessor on October 1, 2004 (the "Agreement") for an initial term of twenty (20) years with one (1) additional renewal option for a term of ten (10) years; and

WHEREAS, the Lessor and Lessee are desirous of exercising the first renewal option and have reached an agreement as to the rent structure during the renewal term, as more particularly set forth herein; and

WHEREAS, on May15, 2024, the Mayor and City Commission adopted Resolution No. _____, 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 under the Agreement for the first year of the renewal term to \$34,140.00, subject to 4.5% annual escalations thereafter.

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, Lessor and Lessee hereby agree to amend the Agreement 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:

Section 3.2 through 3.3 of Article III of the Agreement are hereby amended to read as follows:

3.2 Beginning with the second year of this Agreement, and for each successive year that this Agreement shall remain in effect during the initial term, the quarterly Use Payment for each successive year shall be increased by three 3 percent, 3% or the CPI-U), whichever is less, at commencement of year thereafter.

For the first renewal term of the Agreement, beginning on September 1, 2024, the effective Use Payment shall be Thirty-Four Thousand One Hundred and Forty Dollars (\$34,140.00), and for each successive year this Agreement shall remain in effect during the renewal term, the annual escalation for the Use Payment shall be increased by Four and a Half Percent (4.5%), as follows:

Year	Term	Annual Amount	Escalation	Quarterly Amount
1	September 1, 2024	\$ 34,140.00	4.5%	\$ 8,535.00
2	September 1, 2025	\$ 35,676.30	4.5%	\$ 8,919.08
3	September 1, 2026	\$ 37,281.73	4.5%	\$ 9,320.43
4	September 1, 2027	\$ 38,959.41	4.5%	\$ 9,739.85
5	September 1, 2028	\$ 40,712.59	4.5%	\$ 10,178.15
6	September 1, 2029	\$ 42,544.65	4.5%	\$ 10,636.16
7	September 1, 2030	\$ 44,459.16	4.5%	\$ 11,114.79
8	September 1, 2031	\$ 46,459.82	4.5%	\$ 11,614.96
9	September 1, 2032	\$ 48,550.51	4.5%	\$ 12,137.63
10	September 1, 2033	\$ 50,735.29	4.5%	\$ 12,683.82

3.3 In addition to and along with the Use Payment and any other sums due under this Agreement, Lessee agrees to pay to Lessor any applicable sales tax or any other tax, fee or charge imposed or levied by any governmental authority. Notwithstanding any other provision in this Agreement to the contrary, Lessor acknowledges that Lessee is a municipal corporation organized under the State of Florida, and as such, is exempt from payment of sales tax in connection with the Use Payment due under this Agreement.

3. RATIFICATION.

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

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

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 LESSEE:

CITY OF MIAMI BEACH, FLORIDA

ATTEST:

By: _____
Rafael E. Granado, City Clerk

Rickelle Williams
Interim City Manager

Date

FOR LESSOR:

**PARKVIEW POINT CONDOMINIUM
ASSOCIATION, INC.**

ATTEST:

By: _____
Name

Representative

Print Name

Print Name

Date

Title