

C7 AQ A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, DIRECTING THE CITY ADMINISTRATION TO ENGAGE IN DISCUSSIONS WITH BERNICE LEE, THE COURT-APPOINTED RECEIVER IN THE CASE STYLED SECURITIES AND EXCHANGE COMMISSION V. KAPOOR ET AL., REGARDING THE POSSIBLE ACQUISITION BY THE CITY OF THE PROPERTIES LOCATED AT 1234 WASHINGTON AVENUE AND 1260 WASHINGTON AVENUE; AND FURTHER, AUTHORIZING THE CITY ADMINISTRATION TO OBTAIN AN APPRAISAL OF THE PROPERTIES' FAIR MARKET VALUE, IF DEEMED NECESSARY AND APPROPRIATE BY THE CITY MANAGER.

Applicable Area:

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: City Attorney Ricardo J. Dopico

DATE: October 30, 2024

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, DIRECTING THE CITY ADMINISTRATION TO ENGAGE IN DISCUSSIONS WITH BERNICE LEE, THE COURT-APPOINTED RECEIVER IN THE CASE STYLED SECURITIES AND EXCHANGE COMMISSION V. KAPOOR ET AL., REGARDING THE POSSIBLE ACQUISITION BY THE CITY OF THE PROPERTIES LOCATED AT 1234 WASHINGTON AVENUE AND 1260 WASHINGTON AVENUE; AND FURTHER, AUTHORIZING THE CITY ADMINISTRATION TO OBTAIN AN APPRAISAL OF THE PROPERTIES' FAIR MARKET VALUE, IF DEEMED NECESSARY AND APPROPRIATE BY THE CITY MANAGER.

### **RECOMMENDATION**

### **BACKGROUND/HISTORY**

### **ANALYSIS**

The attached Resolution was prepared at the request of the sponsor, Commissioner Tanya K. Bhatt.

### **FISCAL IMPACT STATEMENT**

If the City Manager determines to proceed with the appraisal, the cost of the appraisal of the two properties is estimated to be approximately \$10,000.

### **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-notices/>

### **FINANCIAL INFORMATION**

### **CONCLUSION**

**Applicable Area**

Citywide

**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**

City Attorney

**Sponsor(s)**

Commissioner Tanya K. Bhatt

**Co-sponsor(s)**

**Condensed Title**

Authorize Discussions w/ Court-Appointed Receiver, 1234 and 1260 Washington Avenue Properties. (Bhatt) CA

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

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, DIRECTING THE CITY ADMINISTRATION TO ENGAGE IN DISCUSSIONS WITH BERNICE LEE, THE COURT-APPOINTED RECEIVER IN THE CASE STYLED *SECURITIES AND EXCHANGE COMMISSION V. KAPOOR ET AL.*, REGARDING THE POSSIBLE ACQUISITION BY THE CITY OF THE PROPERTIES LOCATED AT 1234 WASHINGTON AVENUE AND 1260 WASHINGTON AVENUE; AND FURTHER, AUTHORIZING THE CITY ADMINISTRATION TO OBTAIN AN APPRAISAL OF THE PROPERTIES' FAIR MARKET VALUE, IF DEEMED NECESSARY AND APPROPRIATE BY THE CITY MANAGER.**

**WHEREAS**, the United States Securities and Exchange Commission ("SEC") has initiated a lawsuit against real estate developer Rishi Kapoor and several affiliated entities, including Location Ventures LLC, in connection with a \$93 million real estate fraud scheme; and

**WHEREAS**, Bernice Lee was appointed as the receiver to manage and liquidate Kapoor's assets, including properties owned by Location Ventures; and

**WHEREAS**, among the assets currently under receivership are two parcels located at 1234 Washington Avenue and 1260 Washington Avenue in Miami Beach, Florida, where Kapoor had initiated a partially developed co-living condominium project; and

**WHEREAS**, Lee is seeking court approval for the sale of the Washington Avenue parcels as part of the receivership's asset liquidation process, with a reported offer of \$17.5 million currently pending for the properties; and

**WHEREAS**, the properties are strategically located in the heart of Miami Beach and represent an opportunity for the City to acquire key real estate that could serve a beneficial public purpose; and

**WHEREAS**, it is in the best interest of the City to engage in discussions with the receiver regarding the possible acquisition of these properties to explore their potential use and value to the community;

**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 the City Administration to engage in discussions with Bernice Lee, the court-appointed receiver in *Securities and Exchange Commission v. Kapoor et al.*, regarding the possible acquisition by the City of the properties located at 1234 Washington Avenue and 1260 Washington Avenue; and further authorize the City Administration to obtain, if necessary and appropriate as determined by the City Manager, an appraisal of the fair market value of the properties.

PASSED and ADOPTED THIS \_\_\_\_ day of \_\_\_\_\_ 2024.

ATTEST:

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

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

(sponsored by Commissioner Tanya K. Bhatt)

APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION



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

10/23/2024

\_\_\_\_\_  
Date