



City of Coral Gables
CITY COMMISSION MEETING
January 26, 2016

ITEM TITLE:

A Resolution authorizing the assignment of ERP OPERATING LIMITED PARTNERSHIP and EQR-SWN LINE VISTAS, INC (collectively "Transferor") interest in the ground lease with regards to City owned property located at 353 Aragon Ave., otherwise known as Gables Grand to SCG ATLAS GABLES GRAND PLAZA, L.L.C., a Delaware limited liability company ("Transferee") (*Lease transfer of Gables Grand*).

DEPARTMENT HEAD RECOMMENDATION:

Approval

BRIEF HISTORY:

Per Resolution 27794, the City and Merrick Center, Ltd., ("Tenant") entered into a ground lease agreement dated October 22, 1991 with regard to the development of City owned property located at 353 Aragon Ave., Coral Gables, FL, otherwise known as the "Gables Grand." The agreement was later amended and restated as of December 31, 1996, to reflect the end of the development period and the commencement of the lease period. The City then entered into a First Amendment dated December 18, 1998 related to the assignment of the lease to Prudential Insurance Company of America, and a second amendment on January 5, 2004, approved per Resolution 2003-220 related to Prudential's transfer of its interest to ERP OPERATING LIMITED PARTNERSHIP and EQR-SWN LINE VISTAS, INC a/k/a Equity Residential (collectively "Transferor"). The Transferor desires to transfer its lease interest to SCG ATLAS GABLES GRAND PLAZA, L.L.C., a Delaware limited liability company, which is part of the Starwood Capital Group ("Transferee").

The agreements referenced above from December 26, 1996 to January 5, 2004 (collectively referred to as the "Lease") sets certain requirements for a permitted transferee. These include that a permitted transferee must meet (or contract with an entity which meets) the Lease's definition of an "Acceptable Operator" (see Exhibit A) and the requirements of Section 5.3(f) of the lease (see attached Exhibit "B", which is the Transferee's Certificate that it complies with that Section). Also attached as Exhibit C is an additional Certificate of the Transferee dated January 15, 2016, required as a result of Transferee financing of the acquisition.

Staff has reviewed the requirements for an acceptable transfer and recommends the transfer to the proposed Transferee, subject to the delivery of all documents and payments required by the Lease.

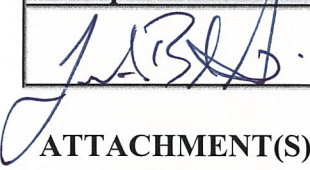
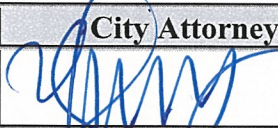
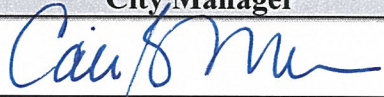
LEGISLATIVE ACTION:

Date.	Resolution/Ordinance No.	Comments
October 22, 1991	Resolution No. 27794	Lease
June 11, 1996	Resolution No. 29085	Transfers
June 11, 1996	Ordinance No. 3185	Transfers

FINANCIAL INFORMATION: (If Applicable)

No.	Amount	Account No.	Source of Funds
N/A			

APPROVED BY:

Department Director	City Attorney	City Manager
		

ATTACHMENT(S):

1. Proposed Resolution
2. Exhibit A Definition of Acceptable Operator
3. Exhibit B Certificate Regarding Section 5.3(f)
4. Exhibit C Certificate Regarding Financing