

CITY OF CORAL GABLES, FLORIDA

ORDINANCE NO. 2022-

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF CORAL GABLES, FLORIDA, AUTHORIZING THE CITY TO ENTER INTO A LEASE WITH FRANCESCO MIRACLE MILES, LLC, A DELAWARE LIMITED LIABILITY COMPANY, DBA FRANCESCO RESTAURANT WITH REGARD TO THE CITY-OWNED PROPERTY 278 MIRACLE MILE, CORAL GABLES, FL 33134 FOR A PERIOD OF SEVEN (7) YEARS AND WITH TWO (2) ADDITIONAL, FIVE-YEAR RENEWAL OPTIONS, AT THE CITY'S DISCRETION; PROVIDING FOR A REPEALER PROVISION, SEVERABILITY CLAUSE, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Francesco Miracle Miles, LLC, a Delaware limited liability company, dba Francesco Restaurant (the "Tenant"), desires to lease the City owned property located at 278 Miracle Mile, Coral Gables, FL 33134 (the "Premises"); and

WHEREAS, the Tenant proposes leasing 3,147 gross sq. ft. space in its "as is" condition; and

WHEREAS, Tenant will complete tenant improvements/renovations required to create a restaurant at the Premises with a minimum value of no less than \$1,450,000.00 in improvements, no later than twelve (12) months from the Commencement Date of the Lease; and

WHEREAS, any additional funds required in excess of the \$1,450,000.00 to complete the Tenant Improvements will be the Tenant's responsibility; and

WHEREAS, the initial Lease term will be for seven (7) years from the Commencement Date of the Lease with two (2) additional, five-year renewal options, at the City's discretion; and

WHEREAS, monthly base rent at \$45.00 per sq. ft. during the second year of the Lease Term, increasing at the rate of three percent (3%) per annum thereafter; and

WHEREAS, commencing on the Rent Commencement Date, the Tenant will pay Landlord Tenant's proportionate share of real property taxes and insurance for the Premises on a monthly basis; and

WHEREAS, the Tenant will have two (2) additional, five-year renewal options, at the City's discretion where both the first and second renewal periods shall be subject to an adjustment of no more than eight percent (8%) over the Base Rent plus annual adjustments of three percent (3%); and

WHEREAS, Tenant will not pay Base Rent for the initial twelve (12) months of the Lease Term while the Tenant performs the \$1,450,000.00 in Tenant Improvements to the Premises; and

WHEREAS, Tenant will provide a security deposit equal to three (3) months of base rent at \$45.00 per sq. ft. (\$42,091.13); and

WHEREAS, the Property Advisory Board, the Economic Development Advisory Board, and the Budget & Audit Advisory Board, and all reviewed the proposed terms, at their meetings on September 14, 2022, October 3, 2022, and October 4, 2022, respectively; and

WHEREAS, the Property Advisory Board, the Economic Development Advisory Board, and the Budget & Audit Advisory Board, reviewed the proposed terms and recommended with conditions; and

WHEREAS, pursuant to Section 2-1097 of the City Code, this Ordinance requires a four-fifths vote because the Lease term and the renewals exceed ten (10) years; and

WHEREAS, pursuant to Section 2-1089 of the City Code, the City Commission waives any provision of Chapter 2, Article VIII that may not have been technically followed and finds such a waiver to be necessary in order to proceed with a purchase, sale, or lease which is in the best interest of the City, and that such waiver serves the public interest to the extent that any provision of this section was not complied with; and

WHEREAS, the City Commission finds that the Lease of the Premises serves the public interest and that it is in the best interest of the City to authorize the City Manager to execute the Lease;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

SECTION 1. That the foregoing “Whereas” clauses are here hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Ordinance upon the adoption hereof.

SECTION 2. That the Lease is hereby approved in substantially the form attached hereto as Exhibit “A.”

SECTION 3. The City Commission does hereby authorize the City Manager to execute the Lease with the Tenant with such modifications to the forms attached hereto as Exhibit “A” as may be approved by the City Manager and City Attorney that are necessary to implement the intent of this Ordinance.

SECTION 4. That this Ordinance shall become effective immediately upon the date of its passage and adoption herein.

PASSED AND ADOPTED THIS TWENTY FIFTH DAY OF OCTOBER A.D., 2022.

(Moved: / Seconded:)
(Yeas: / Nays:)
(Vote:)
(Agenda Item:)

APPROVED:

VINCE LAGO
MAYOR

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

BILLY Y. URQUIA
CITY CLERK

MIRIAM SOLER RAMOS
CITY ATTORNEY