

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2015-

A RESOLUTION APPROVING (i) AN AGREEMENT FOR RELEASE OF CONDOMINIUM UNIT BETWEEN THE PALACE MANAGEMENT GROUP, LLC (“PALACE”) AND THE CITY; (ii) A DECLARATION OF CONDOMINIUM; (iii) A FOURTH AMENDMENT TO PARKING GARAGE LEASE AND DEVELOPMENT AGREEMENT BETWEEN THE PALACE AND THE CITY; AND (iv) ALL OTHER ANCILLARY DOCUMENTS NECESSARY FOR THE CREATION OF A CONDOMINIUM AT 2 ANDALUSIA AVENUE AND FOR THE RELEASE BY THE PALACE OF ITS LONG TERM LEASEHOLD INTEREST ON THE GROUND FLOOR RETAIL SPACE AT 2 ANDALUSIA AVENUE SO THAT SAME MAY BE USED BY THE CITY AS AN ADULT ACTIVITY CENTER.

WHEREAS, pursuant to Ordinance No. 2007-36, the City and Palace Management Group, LLC (“Palace”) entered into a Lease and Development Agreement for construction and operation of a Senior Housing Facility at 45 Andalusia Avenue (now 1 Andalusia Avenue), and a Parking Garage Lease and Development Agreement for construction of a Parking Garage Facility with retail space at 50 Andalusia Avenue (now 2 Andalusia Avenue), which agreements have been amended on three occasions; and

WHEREAS, the Palace constructed the Senior Housing Facility and the Parking Garage Facility and opened both facilities on July 24, 2013; and

WHEREAS, pursuant to Resolution No. 2014-15, the City Commission authorized staff to negotiate a transaction with the Palace in accordance with a letter of intent dated January 8, 2014, to allow the City to purchase the release of the retail space in the Parking Garage Facility from the 99-year lease for a release price of \$3 million, so that the City could use the retail space for an Adult Activity Center (“AAC”); and

WHEREAS, in order for the AAC to be tax exempt, the Miami-Dade tax assessor requires that the property be subject to a condominium regime so that the AAC is contained in a separate condominium unit; and

WHEREAS, the Palace, the Palace’s lender (TD Bank), and the Community Development District have agreed to join in the creation of a condominium on the Parking Garage property, and the Palace and TD Bank have agreed to release from the Parking Garage Lease the retail space to be used for the AAC.; and

WHEREAS, the City Attorney has determined pursuant to section 2-201(e)(1) and (8) of the City Code and Section 2-584 of the Procurement Code, that the Commission may authorize the City Manager to enter into the transaction by resolution; and

WHEREAS, in an abundance of caution, the City Commission has determined by at least a four-fifths vote that it is in the best interest of the City to waive any further requirements of the Procurement Code so that the transaction may proceed expeditiously.

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

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

SECTION 2. That the City Commission does hereby authorize the City Manager to enter into the Agreement for Release of Condominium Unit, the Declaration of Condominium, the Fourth Amendment to the Parking Garage Lease and Development Agreement, the Limited Parking Agreement, and the Limited Use Agreement in the forms attached hereto, and any other ancillary documents required to complete the transaction, with such changes as may be approved by the City Manager and City Attorney that are necessary to implement the intent of this Resolution.

SECTION 3. That this Resolution shall become effective upon the date of its passage and adoption herein.

PASSED AND ADOPTED THIS SIXTEENTH DAY OF JUNE, A.D., 2015.

(Moved: / Seconded:)

(Yeas: / Nays:)

(Vote:)

(Agenda Item:)

APPROVED:

JAMES C. CASON
MAYOR

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

WALTER J. FOEMAN
CITY CLERK

CRAIG E. LEEN
CITY ATTORNEY