## CITY OF CORAL GABLES, FLORIDA

## **RESOLUTION NO. 2016-150**

A RESOLUTION OF THE CITY COMMISSION OF CORAL GABLES, FLORIDA, AUTHORIZING THE EXERCISE OF THE CITY'S CONSENT RIGHTS RELATING TO THE PROPOSED CINEMA BY LANDMARK THEATERS AT MERRICK PARK AND APPROVING CONDITIONS OF APPROVAL.

WHEREAS, the City of Coral Gables entered into a lease agreement (the "Lease") with Merrick Park, LLC regarding the Shops at Merrick Park ("Merrick Park"); and

WHEREAS, the City has consent rights as to any cinema use at Merrick Park; and

WHEREAS, General Growth Partners, Inc. and Merrick Park, LLC are in negotiations with Landmark Theaters to bring a movie theater to Merrick Park; and

WHEREAS, the City Manager and City Attorney are seeking guidance from the Commission as to the exercise of such consent rights; and

WHEREAS, the City Commission wishes to authorize the City Manager to exercise the City's consent rights with conditions stipulated in the attached June 7, 2016 letter from Mr. John C. Charters on behalf of General Growth Partners, Inc., and Merrick Park, LLC;

## 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 adoption hereof.

**SECTION 2.** That the City Commission hereby authorizes the City Manager to exercise the City's consent rights with respect to the Landmark Theater, with conditions as stipulated in the attached June 7, 2016 letter from Mr. John C. Charters on behalf of General Growth Partners, Inc., and Merrick Park, LLC which conditions may be enforced by the City.

**SECTION 3.** Such consent would become effective upon approval and execution by the City Manager and City Attorney of all agreements and documents necessary to effectuate the cinema use.

**SECTION 4**. That said Resolution shall become effective upon the date of its passage and adoption herein.

PASSED AND ADOPTED THIS FOURTEENTH DAY OF JUNE, A.D., 2016.

(Moved: Lago / Seconded: Slesnick)

(Yeas: Lago, Quesada, Slesnick, Keon, Cason)

(Unanimous: 5-0 Vote) (Agenda Item: I-1)

XPPROVED:

FRANK C. QUESADA

VICE MAYOR

ATTEST:

WALTER J. POEMAN

CITY CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

CRAIG E. LEEN CITY ATTORNEY



June 7, 2016

Steven H. Krams Executive Director Coral Gables Arts Cinema 260 Aragon Avenue Coral Gables, Florida 33134

Dear Mr. Krams:

Thank you for taking a lot of time over the last month or so to meet and discuss the Arts Cinema and the proposed Landmark Theatres project at the Shops at Merrick Park. We appreciate your candor and willingness to explain and explore opportunities and solutions to this matter.

As we have discussed, we are very excited to bring a theatre project to SMP as an amenity to the property. We are confident that we can do this in an environment that will permit both theatres to operate successfully. We have been assured by our tenant that they will not impact the Art Cinema's film selection and will not clear you. They will not impede your ability to play day and date with our cinema and in fact are comfortable allowing both operations to show the same movies at the same time. I believe that you agree that this position would effectively remove the concern about the Arts Cinema being limited to certain films by our tenant.

You have also raised an issue related to smaller films that may have a limited availability in the market. As I have explained, we have been researching the films shown at your cinema in 2015 as well as Landmark cinemas of similar size (number of screens) and with a slate of film product that is similar to what we propose to operate at the Shops at Merrick Park. While we see very limited overlap we do recognize your concern. Therefore, our tenant will also agree not to limit or will not clear you from obtaining films, regardless of size or availability in the market.

Also, in an effort to promote and sustain the ongoing success of the Arts Cinema, so long as we have a theater operating at the Shops at Merrick Park, we are willing to jointly develop with you a co-marketing plan. First, we agree that we will provide your non-profit Cinema free access to certain signage that you viewed with me in the Shops at Merrick Park. Second, we will coordinate with your team to provide the Arts Cinema free access to our website to advertise movies and to generally increase awareness of your Cinema to our customer base. Third, we will work with the Arts Cinema and our tenant to cross promote the two operations in other ways that we all agreed to discuss with our various team members to implement. We hope that this helps to further evidence our desire to make all parties successful and comfortable moving forward.



In addition, to help ensure the ongoing success of the Coral Gables Arts Cinema, we are pleased to commit to an annual sponsorship of \$10,000 for five (5) years. The first payment of this sponsorship will be in the year the cinema opens at Shops at Merrick Park. At your convenience, we can discuss what programming we both think is appropriate for us to be involved in. At the end of that period we would certainly be willing to discuss further sponsorship opportunities.

Again, I appreciate your time and understanding and look forward to a mutually beneficial relationship in the future.

Sincerely,

John C. Charters Vice President, Development Merrick Park, LLC

Cc: Cathy Swanson-Rivenbark, City Manager