

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2015- 260

A RESOLUTION AUTHORIZING ENTERING INTO A SECOND AMENDMENT TO LEASE WITH CORAL GABLES CINEMATEQUE, INC. TO REPLACE THE HVAC SYSTEM IN EXCHANGE FOR IN-KIND SERVICES WITH REGARD TO CITY OWNED PROPERTY LOCATED AT 260 ARAGON AVENUE, CORAL GABLES, FLORIDA.

WHEREAS, pursuant to Ordinance No. 2010-24, the City and Coral Gables Cinemateque, Inc. ("Tenant") entered into an Amended and Restated Lease dated September 28, 2010, of the lease dated November 10, 2008 (the "Original Lease Agreement") approved per ordinance 2008-16, with regard to City property located at 260 Aragon Avenue, Coral Gables, FL (the "Lease"); and

WHEREAS, Tenant has requested that the City replace the non-functioning HVAC air conditioning unit that Tenant has indicated, despite its acceptance of the original unit, has never been in great operating condition from the date they took possession; and

WHEREAS, the City has obtained quotes for such replacement from reputable air conditioning companies that place the cost at up to \$50,000; and

WHEREAS, in exchange, the Tenant has offered to provide \$10,000 per year for the remaining term of the lease that is set to expire September 30, 2020 that it gives to the City pursuant to the Lease, to be applied towards City functions at the Coral Gables Cinema with minimal impact on its day-to-day operations, to assist the City in digitizing its film archives and to provide cinema-related activities such as outdoor screenings; and

WHEREAS, on October 21, 2015, the proposed amendment terms were presented to the Property Advisory Board, which voted unanimously to recommend approval with the condition that there be a quantifiable list of services and benefits provided by Tenant for an amount equal to or greater than the City's investment in the HVAC system; and

WHEREAS, the City Commission finds that it is in the interest of the City to replace this air conditioning unit and to obtain an increased credit;

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 Amendment to the Lease (the "Amendment") is hereby approved in substantially the form attached hereto as Exhibit "A."

SECTION 3. That the City Commission does hereby authorize the City Manager to execute the Amendment with such modifications to the form 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 resolution.

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

PASSED AND ADOPTED THIS TWENTY-SEVENTH OF OCTOBER, A.D., 2015.

(Moved: Lago / Seconded: Quesada)

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

(Unanimous: 5-0 Vote)

(Agenda Item: C-5)

APPROVED:



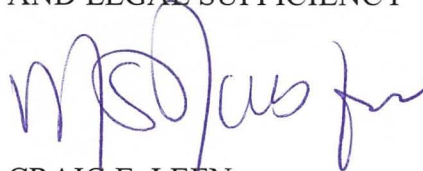
JIM CASON
MAYOR

ATTEST:



WALTER L. FOEMAN
CITY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY



CRAIG E. LEEN
CITY ATTORNEY

AMENDMENT TO THE AMENDED AND RESTATED LEASE

This Amendment ("Amendment") to Lease entered into as of this ____ day of _____, 2015, by and between the City of Coral Gables, a Municipal Corporation ("Landlord") and Coral Gables Cinemateque, Inc., a Florida Not-For-Profit Corporation ("Tenant").

WITNESSETH:

WHEREAS, the Landlord and Tenant entered into that certain Lease executed on November 10, 2008, as amended by that Amended and Restated Lease dated September 28, 2010 (collectively the "Lease"), concerning the real property known as the Coral Gables Cinema located at 260 Aragon Avenue, Coral Gables, Florida, and as is more particularly described the Lease (the "Premises"); and

WHEREAS, Tenant has requested that Landlord replace the HVAC air conditioning system with a new system unit, and Landlord is willing to do so on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Recitals: The above recitals are true and correct, and are hereby incorporated by reference.
2. Defined Terms. Any capitalized term not otherwise defined herein, shall have the meaning ascribed thereto in the Lease.
3. Replacement of Air Conditioning. Tenant has requested and Landlord hereby agrees to replace the HVAC system on the Premises with a new system. Landlord has obtained a quote for the purchase and installation of the new unit and removal of the old unit in the amount of \$50,000. Tenant hereby grants access to the Premises to the contractor which is installing the new unit and removing the old unit. Once installed, the new unit falls under Tenant's responsibility to maintain under Section 15 of the Lease. There shall be no liability of the Landlord, including but not limited to warranties, for such removal and installation, Tenant shall rely solely on any warranties provided by the manufacturer and/or contractor, which shall be transferred to Tenant.
4. Credit. In exchange for the Landlord's assistance, Tenant hereby gives Landlord a credit of \$10,000 per year (or partial year) for five (5) years commencing upon execution of this Amendment. Such credit may, at Landlord's discretion, be applied towards City functions at the Coral Gables Cinema with minimal impact on its day-to-day operations, to assist the City in digitizing its film archives and to provide cinema-related activities such as outdoor screenings.

5. All other terms, covenants, and conditions of the Lease not otherwise amended by these presents are hereby confirmed and ratified.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this amendment as of the date first mentioned above.

LANDLORD:

Approved as to form and legal sufficiency:

CITY OF CORAL GABLES, a municipal corporation of the State of Florida

Craig E. Leen, Esq.
City Attorney

By _____
Cathy Swanson-Rivenbark
City Manager

ATTEST:

Walter Foeman
City Clerk

Authority of Resolution No. _____,
duly adopted by the Coral Gables City
Commission on _____.

ATTEST:

Secretary

TENANT:

Coral Gables Cinemateque, Inc.

By: _____
Name: _____
Title: _____

(Corporate Seal)

CITY OF CORAL GABLES
Property Advisory Board Meeting Minutes
Wednesday, October 21, 2015, 8:30 a.m.
1 Alhambra Plaza, Suite 617, Coral Gables, Florida 33134

EXCERPTS

MEMBERS	A	J	J	A	S	O	N	D	J	F	M	APPOINTING ENTITY
	'15	'15	'15	'15	'15	'15	'14	'14	'15	'15	'15	
Luis Espino Chair	A	P	P	P	P	P	P	X	P	X	P	Mayor Jim Cason
Ariel Fernandez			P	P	P	P						Commissioner Jeannett Slesnick
Luba DeWitt			P	P	P	E						Commissioner Patricia Keon
Valerie Quemada Vice Chair	E	P	P	P	P	P	P	X	P	X	P	Commissioner Vince Lago
Tony Gonzalez	P	P	P	P	P	P	P	X	P	X	A	Commissioner Frank Quesada
Andrew Nadal			E	P	P	P						City Manager
Vacancy												City Commission

A = Absent
E = Excused Absence
P = Present
X = No Meeting

STAFF AND GUESTS:

Javier Betancourt, Director, Economic Development Department

Leonard Roberts, Assistant Director, Economic Development Department (by phone)

Jorge Casuso, Business Development Analyst, Economic Development Department

Meeting Motion Summary:

A motion to approve the minutes of the September 16, 2015 meeting passed unanimously.

A motion to recommend entering into a Second Amendment to the Lease with Coral Gables Cinemateque, Inc. to replace the non-functioning HVAC air conditioning unit, at cost up to \$50,000, with the condition that there be a quantifiable list of services and benefits provided for an amount equal to or greater than the City's investment passed unanimously.

Mr. Espino brought the meeting to order at 8:33 a.m.

3. Review of Amendment to Coral Gables Cinemateque Lease Agreement to include Replacement of HVAC system (Action)

Mr. Roberts informed the Board that Coral Gables Cinemateque, which rents the City owned space at 260 Aragon Avenue, has requested that the City replace the non-functioning HVAC air conditioning unit. He presented the Board with a proposed Second Amendment to the Lease that includes the following terms:

Second Amendment to Lease
PROPOSED DEAL TERMS

Background: The Tenant, Coral Gables Cinemateque, Inc., has been leasing the City owned property at 260 Aragon Avenue pursuant to a lease agreement dated November 10, 2008 and amended September 28, 2010. The Tenant has requested that the City replace the non-functioning HVAC air conditioning unit. The original buildout was done and paid by the City. According to the Tenant, throughout the years, they have had issues with the HVAC system. They currently have an HVAC maintenance agreement with a vendor (A-Team Energy Services, Inc.). The company has reviewed the system and has determined that it needs to be replaced. The City sent its contractor, Weatherrol, to get a second opinion and provide a quote for replacement. The quote by the existing service provider was \$55,000, less than the City's vendor.

Tenant: Coral Gables Cinemateque, Inc.

Premises: 260 Aragon Avenue

Use: Cinema

Term: The Tenant's lease expires on September 30, 2020, leaving approximately five (5) years remaining on the lease. The Tenant has agreed to apply \$10,000 per year to be applied towards City functions at the Coral Gables Cinema with minimal impact on its day-to-day operations; assist the City in film-related services, such as digitizing its film archives, and provide cinema-related activities such as outdoor screenings over the remaining term of the lease.

Mr. Fernandez made a motion to recommend entering into a Second Amendment to the Lease with Coral Gables Cinemateque, Inc. to replace the non-functioning HVAC air conditioning unit, at cost up to \$50,000, with the condition that there be a quantifiable list of services and benefits provided for an amount equal to or greater than the City's investment. Mr. Gonzalez seconded the motion, which passed unanimously.

The meeting was adjourned at 9:46 a.m.

Respectfully submitted,

Jorge Casuso, Business Development Analyst - Economic Development Department