

CITY OF CORAL GABLES, FLORIDA

ORDINANCE NO. 2018-

AN ORDINANCE AUTHORIZING ENTERING INTO A PURCHASE AND SALE AGREEMENT FOR THE SALE OF THE CITY OWNED PARCEL LOCATED AT 7350 CORAL WAY, MIAMI, FL 33155 TO HIGHEST BIDDER, MIAMI DEVELOPMENT FUND, LLC, A FLORIDA CORPORATION; PROVIDING FOR A SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

WHEREAS, pursuant to Resolution 2017-234, dated August 29, 2017, the City Commission authorized the City Manager to market and sell the City owned property at 7350 Coral Way, Miami, FL 33155 (the “Lot”) for a period of six months and come back to the City Commission with a Purchase and Sale Agreement and/or a Letter of Intent; and

WHEREAS, pursuant to Resolution 30255 passed and adopted on February 5, 2002, the City entered into a lease dated June 27, 2002 with the Police Benevolent Association, Inc. (PBA), a Florida Not-for-profit entity for the City owned property located at 7350 Coral Way, Miami, FL 33155 (the “Lot”) for a term of 30 years; and

WHEREAS, pursuant to CAO 2016-012 dated March 16, 2016, the City Attorney determined the Lot was abandoned due to the PBA limited use of the Lot; hence rendered the lease terminated; and

WHEREAS, pursuant to Resolution 2003-169, the City entered into an Interlocal Agreement with Miami-Dade County dated October 9, 2006 to make available 80 parking spaces on the Lot for the non-exclusive use of the County’s Park (the “Park”) located at 7360 Coral Way, Miami, FL 33155; and

WHEREAS, the Lot was appraised for \$11,700,000 for the 180,580 square foot lot; the appraisal did not take into consideration the 80 parking spaces required under the Interlocal Agreement nor the lead contamination resulting from the PBA’s allowed use of the Lot as a gun range; and

WHEREAS, the City listed the Lot for sale at \$12,000,000 in November, 2017, including signage on the site, and posting to the Real Deal Magazine, with the understanding that the City would provide a credit/price reduction to a potential buyer to remediate the lead and provide 80 parking spaces for visitors of the Park; the City changed the price to an “as is” asking price of \$10,000,000 where the purchaser would assume all cost and risk to remediate the lead contamination and provide parking for the Park; the City valued the cost of providing 80 parking spaces and lead remediation at more than \$2,000,000; the second appraisal by Waronker and Rosen in September, 2018 valued the Lot at \$9.9 million; and

WHEREAS, the highest bidder, Miami Development Fund, LLC (“Purchaser”), would like to enter into a purchase and sale agreement which includes the following key terms: a purchase price of \$10.4 million “as is”; Purchaser to provide the City a total deposit of \$550,000; Purchaser shall have a 30-day due diligence period to inspect the Lot; Purchaser shall provide a restrictive covenant to allow the 80 spaces for parking; and the closing shall occur 30 days after the inspection period; and

WHEREAS, the proposed terms were presented to the members of the Property Advisory Board (PAB) on July 11, 2018, who voted 3 out of 4 to sell and use the proceeds towards the acquisition of real estate within the City’s boundaries. On August 1, 2018, the Economic Development Board voted unanimously to approve the sale. The Budget/Audit Advisory Board (BAB) voted to defer a vote until they received the second appraisal due to the concern the value could be greater than the proposed sale price. The BAB were forwarded a copy of the latest appraisal showing a value less than the proposed sales price; and

WHEREAS, staff is requesting authorization from the City Commission to execute the Purchase and Sale agreement with the Purchaser for the \$10.4 Million sales price; and

WHEREAS, pursuant to Section 2-1097 of the City Code, this Ordinance requires a four-fifths vote; and

WHEREAS, while the City has substantially complied with the applicable requirements in Chapter 2, Article VIII, Division 12 of the City Code, to the extent any of those requirements have not been met, the City Commission finds that the public interest would be served by waiving any such requirements of the Procurement Code pursuant to section 2-1089, which also requires a four-fifths vote, and that it is in the best interests of the City to authorize the City Manager to execute the Purchase and Sale agreement.

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

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 Resolution upon the adoption hereof.

SECTION 2. That the City Commission does hereby authorize the City Manager and City Attorney to execute the Purchase and Sales Agreement, in substantially the form attached, for the sale of the City-owned parcel located at 7350 Coral Way, Miami, FL to the highest bidder, Miami Development Fund, LLC, by four-fifths vote in accordance with Sections 2-1089 and 2-1097 of the City Code.

SECTION 3. If any section, part of section, paragraph, clause, phrase or word of this Ordinance is declared invalid, the remaining provisions of this Ordinance shall not be affected.

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

PASSED AND ADOPTED THIS NINTH DAY OF OCTOBER, A.D., 2018.

(Moved: / Seconded:)

(Yeas: / Nays:)

(Vote:)

(Agenda Item:)

APPROVED:

RAUL VALDES-FAULI
MAYOR

ATTEST:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

WALTER J. FOEMAN
CITY CLERK

MIRIAM SOLER RAMOS
CITY ATTORNEY