

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2018-

A RESOLUTION AUTHORIZING THE CITY ATTORNEY AND CITY MANAGER TO NEGOTIATE AND DRAFT AN AGREEMENT WITH THE BILTMORE HOTEL LIMITED PARTNERSHIP (THE "HOTEL") IN REGARDS TO THE CITY-OWNED PROPERTY LOCATED AT 1200 ANASTASIA AVE, CORAL GABLES, FL TO REDIRECT UP TO 50% OF THE HOTEL'S RENTAL PAYMENTS TOWARDS CAPITAL IMPROVEMENT NECESSARY TO PRESERVE THE HOTEL'S HISTORIC LANDMARK DESIGNATION.

WHEREAS, On February 10, 1986, the City executed a lease agreement with the Biltmore Hotel Limited Partnership (the "Hotel"), as amended by the Amended and Restated Lease Agreement dated July 29, 1999, then amended with the First Amendment dated January 2, 2001, subject that Deferred Rent and Restoration Agreement dated January 16, 2002, and that Settlement and Release Agreement dated December 19, 2011, for the City owned property located at 1200 Anastasia Ave, Coral Gables, FL (collectively, the "Lease") to operate as a luxury hotel that expires on August 5, 2042 subject to two- 20 year renewal options; and

WHEREAS, the United States Department of the Interior designated the Hotel as a National Historic Landmark allowing a luxury hotel to be used and maintained as a historic monument; and

WHEREAS, the City requires the Hotel to operate as a luxury first-class destination resort hotel and conference center with at least a four-star rating by Forbes Travel Guide; and

WHEREAS, the City requested the Hotel to perform an independent study to verify they meet the luxury requirements established in the Lease; and

WHEREAS, the independent study verified the quality of its service was considered luxury and the quality of the product (e.g. the tangible items) was considered luxury; yet, noted the Hotel is in need of capital improvements but overall the Hotel met the luxury requirement noted in the Lease; the overall capital improvements were greater than the Hotels capital reserve for the next five years; hence, recommending additional funding from the City; and

WHEREAS, City's Staff and Historic Preservation Officer's Staff reviewed the list of capital improvements and determined approximately \$10.5 Million pertained to the historic monument; the Hotel is requesting 50% of the Hotel's rent payment be redirected to pay up to 50% of the historic monument's capital cost; and

WHEREAS, Section 2-1089 and 2-1094 of the Procurement Code authorizes the City Commission to waive any provisions of Article VIII, Division 12 of the Procurement Code

relating to the purchase, sale or lease of public lands or buildings upon a four-fifths vote where it finds that the public interest would be served by such waiver; and

WHEREAS, the City Commission finds that it serves the public interest and is in the best interests of the City to waive the requirements of the Procurement Code with regard to this transaction and allow the City Manager and City attorney to further negotiate and draft terms of an agreement to redirect the Hotel’s rent payments towards capital improvements.

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

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 and City Attorney to negotiate and draft an agreement with the Biltmore Hotel Limited Partnership (the “Hotel”) in regards to the City-owned property located at 1200 Anastasia Ave, Coral Gables, FL to redirect up to 50% of the Hotel’s rental payments towards capital improvement necessary to preserve the Hotel’s historic landmark designation.

SECTION 3. That the City Commission does hereby waive provisions of the Procurement Code in accordance with Section 2-1089 and 2-1094.

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

PASSED AND ADOPTED THIS TWELFTH DAY OF JUNE, 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