

CITY OF CORAL GABLES, FLORIDA

ORDINANCE NO. 2018-

AN ORDINANCE AUTHORIZING ENTERING INTO A PURCHASE AND SALES 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.

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 Sales 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 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 would like to enter into a purchase and sales agreement for \$10.4 million “as is”; provide the City a total deposit of \$550,000; provider Purchaser a

30-day due diligence period to inspect the Lot; provide a restrictive covenant to allow the 80 spaces for parking; and close 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. The next BAB meeting is scheduled on September 19th and we were not able present the new appraisal before this item came to Commission; and

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

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 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 Section 2-1097 of the City Code.

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

PASSED AND ADOPTED THIS TWENTY-FIFTH DAY OF SEPTEMBER, A.D., 2018.

(Moved: / Seconded:)
(Yeas: / Nays:)
(Vote:)
(Agenda Item:)

APPROVED:

RAUL VALDES-FAULI
MAYOR

ATTEST:

APPROVED AS TO FORM

WALTER J. FOEMAN
CITY CLERK

AND LEGAL SUFFICIENCY

MIRIAM S. RAMOS
CITY ATTORNEY