

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2015-77

A RESOLUTION AUTHORIZING ENTERING INTO A SETTLEMENT AND RELEASE AGREEMENT WITH AZUL AND COMPANY, INC., MARIA J. DE CAIRES AND OSCAR MURPHY WITH REGARD TO CITY OWNED PROPERTY AT 4520 PONCE DE LEON BLVD, CORAL GABLES, FL; AND AUTHORIZING AN AMENDMENT TO THE FISCAL YEAR 2014-2015 ANNUAL BUDGET TO REDUCE THE RENT REVENUE/CONTINGENCIES BUDGETS; AND TO TRANSFER FUNDS FROM SPECIAL REVENUE FUND BALANCE AND APPROPRIATE SUCH FUNDS TO PUT TOWARD THE COST OF THE SETTLEMENT. *(THIS IS THE FORMER DMV BUILDING. IT IS CONSISTENT WITH THE FPL SETTLEMENT AGREEMENT AND WILL ALLOW PASSPORT OPERATIONS TO RELOCATE WITH AMPLE OFF-STREET PARKING FOR CUSTOMERS.)*

WHEREAS, Azul and Company, Inc. (the "Tenant"), is a tenant at 4520 Ponce de Leon Blvd, Coral Gables, FL pursuant to a lease dated September 5, 2012 (the "Lease"), as authorized by Resolution No. 2012-122. The lease is personally guaranteed by Maria J. De Caires and Oscar Murphy (the "Guarantors"); and

WHEREAS, the City entered into a Settlement Agreement with Florida Power & Light Company (FPL) dated May 12, 2014 that contemplated the City terminating its agreement with the Tenant; and

WHEREAS, the Tenant has indicated it would like to be released from the Lease, and the City would like to take possession of the property for City use; and

WHEREAS, the Tenant, Guarantors and City have negotiated a settlement and release agreement that provides:

1. Tenant shall vacate as of July 31, 2015, leaving the premises in good condition, and with all leasehold improvements remaining (except signage and personal property), which includes upgrades to the windows, flooring, ceiling, bathrooms, kitchenette, fixtures and other general improvements;
2. Tenant shall not be required to pay Base Rent or its share of taxes and insurance for the months of June and July 2015, which the Parties agree is a value of \$16,518.36;
3. City shall reimburse Tenant's unamortized leasehold improvements as of July 31, 2015, in the amount of \$90,278.98;
4. City shall return Tenant's security deposit in the amount of \$17,430.66;
5. City shall reimburse of Tenant's moving expenses up to \$20,000.00;
6. Rent, taxes and insurance shall be abated for June and July 2015;

7. Tenant will provide City an interior design layout for the premises based on the City's planned use for City offices, including adding two bathrooms;
8. Tenant shall obtain furniture and fixtures requested by the City for the premises at Tenant's cost from a quality furniture and fixture wholesale and/or distribution entity; and
9. The City shall pay Tenant the sum of \$33,202.66 upon satisfactory completion of items 6 and 7; and

WHEREAS, an amendment to the Fiscal Year 2014-2015 Annual Budget is required to reduce the rent revenue/contingencies budgets by \$16,482; and to transfer \$80,000 from the Special Revenue Fund Balance (Passport operations reserve) and appropriate such amount to put toward the cost of the settlement;

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. The settlement and release agreement between the City of Coral Gables, Azul and Company, Inc. and Guarantors is hereby approved (the "Settlement and Release Agreement") in substantially the form attached hereto as Exhibit "A".

SECTION 3. That the City Commission does hereby authorize an amendment to the Fiscal Year 2014-2015 Annual Budget to reduce the rent revenue/contingencies budgets by \$16,482; and to transfer \$80,000 from the Special Revenue Fund Balance (Passport operations reserve) and appropriate such amount to put toward the cost of the settlement.

SECTION 4. That the City Commission does hereby authorize the City Manager to execute the Settlement and Release Agreement with such modifications from the terms as may be approved by the City Manager and City Attorney and are necessary to implement the intent of this Resolution.

SECTION 5. That this Resolution shall become effective immediately upon the date of its passage and adoption herein.

PASSED AND ADOPTED THIS TWELFTH DAY OF MAY, A.D., 2015.
(Moved: Quesada / Seconded: Lago)
(Yeas: Slesnick, Keon, Lago, Quesada, Cason)
(Unanimous: 5-0 Vote)
(Agenda Item: H-3)

APPROVED:



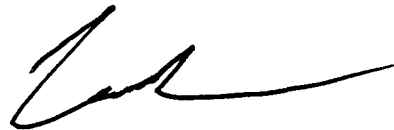
JIM CASON
MAYOR

ATTEST:



WALTER J. FOEMAN
CITY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:



CRAIG E. LEEN
CITY ATTORNEY