

RESOLUTION NO. _____

A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), AMENDING RESOLUTION NO. 640-2019, WHICH APPROVED A LEASE BETWEEN THE RDA (LANDLORD) AND MOONLIGHTER FABLAB, INC. (TENANT) FOR APPROXIMATELY 6,720 SQUARE FEET OF RETAIL SPACE, LOCATED AT 1661 PENNSYLVANIA AVENUE, TO REFLECT THE FOLLOWING MODIFICATIONS TO THE ESSENTIAL LEASE TERMS: (I) WAIVING TENANT'S REQUIREMENT TO PAY OPERATING AND INSURANCE COSTS, IN THE APPROXIMATE ANNUAL SUM OF \$23,200.00 AND (II) REQUIRING THE RDA TO BE RESPONSIBLE FOR DECOMMISSIONING AND MAINTAINING THE EXHAUST HOODS LOCATED AT THE RETAIL SPACE.

WHEREAS, the Pennsylvania Garage building consists of 572 municipal parking spaces and approximately 7,655 square feet of ground floor retail space (Retail Space), which Retail Space has been vacant since the previous tenant vacated in 2015; and

WHEREAS, since that time, the City has utilized the vacant Retail Space for various purposes like EnerGov training, temporary offices for Code Compliance and Housing & Community Services, and as a temporary location for the Miami Beach Chamber of Commerce Visitor's Center (Visitor's Center); and

WHEREAS, in March, 2017, the City engaged Koniver Stern Group to market the Retail Space; and

WHEREAS, in June, 2018, the City opted to change brokers and engaged CBRE, Inc. to market this space; and

WHEREAS, due to a number of factors, including the Convention Center renovation, the extended closure of Convention Center Drive and the temporary closure of 17th Street, the City has received little interest in the space and no serious leasing prospects for consideration; and

WHEREAS, due to the lack of viable lease prospects, and the need to relocate City departments from the 555 17th Street building in preparation for the pending construction of the Convention Center hotel, the Administration considered the Retail Space as a potential short-term solution, but recognized this is not the best use of space once the Convention Center hotel is complete, as this corridor will serve as a vital connector between the Miami Beach Convention Center, the new Convention Center hotel, and Lincoln Road; and

WHEREAS, on December 21, 2018, the City received a letter of intent for the Retail Space from Moonlighter Fablab, Inc. d/b/a Moonlighter Makerspace (Moonlighter), a 501(c)(3) nonprofit organization that serves as a Science, Technology, Engineering, Arts & Math (S.T.E.A.M.) education center, co-working space, and digital fabrication lab together in one space; and

WHEREAS, the Visitor's Center currently uses approximately 935 square feet of the Retail Space and staff has not been able to identify alternative locations for the Visitor's Center; and

WHEREAS, on January 25, 2019, the Finance and Citywide Projects Committee (FCWPC) favorably recommended authorizing the City Manager to negotiate a lease of the Retail Space with Moonlighter, with an initial term of 3 years, and with an enhanced offering of public benefits, specifically benefiting Miami Beach students; and

WHEREAS, following the January 25th FCWPC meeting, Moonlighter revised its Letter of Intent to include enhancements to the public benefits which had been presented to the FCWPC, and requested use of the entire space; and

WHEREAS, based upon the foregoing, and the unique social and economic opportunity proposed by the nonprofit for the benefit of the community, the Administration recommends that the City install, at its cost, a demising wall at the Retail Space, dividing the Visitor's Center space from the proposed Moonlighter space to enable both tenants to occupy the Retail Space moving forward; and

WHEREAS, at its March 13, 2019 meeting, pursuant to RDA Resolution No. 640-2019, the Chairperson and Members of the RDA accepted the recommendation of the FCWPC and approved the draft lease, as attached in substantial form to Resolution No. 640-2019, which provided that: (i) Moonlighter would reimburse the City for its pro rata share of costs for building insurance, operating expenses, and real estate taxes; (ii) Moonlighter would be able to purchase eight monthly access passes to the parking garage at the City's prevailing parking rates; and (iii) Moonlighter would be responsible for any work necessary to render the kitchen ventilation system and improvements compatible with the tenant's new use; and

WHEREAS, following the March 13, 2019 RDA meeting, Moonlighter requested that the lease contain economic terms that differ from those contained in the draft lease reviewed and approved by the RDA on March 13, 2019; therefore, RDA approval is necessary to modify said economic terms; and

WHEREAS, given the City's interest in activating the vacant space and the public benefit anticipated from Moonlighter's proposed collaboration with City schools, the Administration recommends that the Chairperson and Members of the RDA modify Resolution No. 640-2019, such that: (1) reimbursement from Moonlighter to the City for building insurance and operating expenses is waived, contingent upon Moonlighter assuming responsibility for any increase in the City's insurance costs associated with Moonlighter's occupancy and (2) assumption of responsibility by the City for decommissioning the kitchen exhaust hoods and any hood-related work necessary to enable occupancy.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Chairperson and Members of the Miami Beach Redevelopment Agency (RDA) hereby amend Resolution No. 640-2019, which approved a lease between the RDA (Landlord) and Moonlighter Fablab, Inc. (Tenant), for approximately 6,720 square feet of retail space, located at 1661 Pennsylvania Avenue, to reflect the following modifications to the essential lease terms: (i) waiving Tenant's requirement to pay operating and insurance costs, in the approximate annual sum of \$23,200.00 and (ii) requiring the RDA to be responsible for decommissioning and maintaining the exhaust hoods located at the retail space.

PASSED and ADOPTED THIS ____ day of _____ 2019.

Dan Gelber, Mayor

ATTEST:

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney

Date

5/7/19