

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE FINANCE AND ECONOMIC RESILIENCY COMMITTEE AT ITS APRIL 30, 2021 MEETING, RELATING TO A PROPOSED LEASE BETWEEN THE CITY OF MIAMI BEACH AND MIAMI NEW DRAMA INC., FOR THE DEVELOPMENT AND OPERATION OF A COLLINS PARK CULTURAL ARTS FACILITY WITHIN THE CITY OWNED COLLINS PARK GARAGE (THE "LEASE"), AND APPROVING THE TERM SHEET FOR THE LEASE ATTACHED AS AN EXHIBIT TO THE COMMISSION MEMORANDUM ACCOMPANYING THIS RESOLUTION; FURTHER, DIRECTING THE ADMINISTRATION TO DRAFT AND FINALIZE THE LEASE WITH MIAMI NEW DRAMA, INC., CONSISTENT WITH THE TERM SHEET, WITH THE LEASE SUBJECT TO APPROVAL BY A 4/7THS VOTE OF THE PLANNING BOARD AND A 6/7THS VOTE OF THE CITY COMMISSION, PURSUANT TO SECTION 1.03(B)(4) OF THE CITY CHARTER; AND FURTHER, REFERRING THE PROPOSED LEASE TO THE PLANNING BOARD FOR REVIEW, IN ACCORDANCE WITH THE REQUIREMENTS OF THE CITY CHARTER AND CITY CODE.

WHEREAS, on November 9, 2016, the City Commission established the Collins Park Arts District Overlay via Ordinance No. 2016-4061, in response to an expressed desire by the Collins Park Neighborhood Association to incentivize arts and entertainment-related uses; and

WHEREAS, the ground floor of the recently completed Collins Park Garage, located at 340 23rd St., includes approximately 16,000 gross sq. ft. of unfinished interior commercial space with an elevated exterior terrace providing access from the street; and

WHEREAS, on May 22, 2020, the Finance and Economic Resiliency Committee discussed tenant programming for the unleased commercial space of the Collins Park Garage, emphasizing the importance of community engagement and neighborhood enhancement, and the possibility of using City funds to curate cultural activation; and

WHEREAS, on December 18, 2020, Miami New Drama, Inc. ("Miami New Drama" or "MIND") presented the Finance and Economic Resiliency Committee with an unsolicited proposal to program the tenant space of the Collins Park Garage as a flexible black box studio, however, the Committee recommended preparation of a Request for Proposals to solicit interest from cultural arts institutions with independent financial support; and

WHEREAS, on January 27, 2021, pursuant to City Commission Resolution No. 2021-31568, the City Commission found that the City's best interests were served by waiving formal competitive bidding requirements in favor of MIND's unsolicited proposal and authorized the negotiation of a term sheet with MIND to include the following material terms:

- Miami New Drama must remain functionally located within the City of Miami Beach, with Miami Beach as its primary performance venue;
- Existing principal directors Michel Hausman, Moises Kaufman, and Nicholas Richberg must remain directly involved with Miami New Drama;
- Miami New Drama's board of directors must include voting representation by the City of Miami Beach; and
- Miami New Drama's sublease of any restaurant or retail component must be negotiated at market rates; and

WHEREAS, the Administration has negotiated a term sheet pursuant to the direction provided by City Commission Resolution No. 2021-31568 (the "Term Sheet"), which is attached as an Exhibit to the Memorandum accompanying this Resolution; and

WHEREAS, pursuant to the Term Sheet, MIND will enter into a lease for the ground floor space for an initial term of five (5) years, with options for three (3) additional five (5) year terms, in order to activate the Facility as a theater for its not-for-profit cultural presentations, production of live theatrical performances and uses ancillary thereto, including its administrative and business functions and rehearsal, costume, and set design facilities for performances, as well as a restaurant café pursuant to a sublease to a third-party operator; and

WHEREAS, as proposed, MIND is responsible for funding all design and architectural and engineering professionals associated with the buildout improvements ("Project"), at an amount anticipated to be approximately \$250,000 (the "Tenant Contribution"), and MIND must demonstrate it has secured funding in an amount equal to the Tenant Contribution within 365 days from City Commission approval of the lease agreement; and

WHEREAS, pursuant to the Term Sheet, the City is responsible for the construction of the Project and the funding for the construction hard costs related to the buildout, in an amount not to exceed \$4.75 million (the "Landlord Contribution"), and at the present time, the City has not yet identified any funding sources for the Landlord Contribution; and

WHEREAS, the parties agree that, subject to the appropriate budget appropriation by the City, the Project will be developed with a design-to-budget approach based upon a budget equal to the sum of the Landlord Contribution and Tenant's Contribution; and

WHEREAS, the City shall utilize a Construction Manager at Risk with Guaranteed Maximum Price ("GMP") delivery method for the construction of the Project, and the City and the City's construction manager shall have the right to review and reasonably approve and provide comment as the plans and specifications are prepared at the 30%, 60%, 90% and final completion stages by the architect; and

WHEREAS, the City must identify and appropriate City funds in an amount equal to the Landlord Contribution no later than October 1, 2024, or either party may terminate the Lease; and

WHEREAS, on April 30, 2021, the Finance and Economic Resiliency Committee

provided guidance on the Project and recommended that the Administration negotiate a lease agreement consistent with the Term Sheet for the City Commission's consideration; and

WHEREAS, pursuant to Section 1.03(b)(4) of the City Charter governing leases of ten years or longer of City-owned property, the Lease requires approval by a majority 4/7 vote of all members of the Planning Board and 6/7 vote of the City Commission; and

WHEREAS, pursuant to the favorable recommendation of the Finance and Economic Resiliency Committee, the Administration requests this item be referred to the Planning Board for review of the Lease and direction to draft and finalize the lease agreement with Miami New Drama, Inc., consistent with the Term Sheet and contingent upon the identification and appropriation of sufficient Project funding, with the final agreement subject to prior approval of the City Commission.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, hereby accepts the recommendation of the Finance and Economic Resiliency Committee at its April 30, 2021 meeting, relating to the proposed lease between the City of Miami Beach and Miami New Drama Inc., for the development and operation of a Collins Park cultural arts facility within the City owned Collins Park Garage (the "Lease"), and approves the term sheet for the Lease attached as an exhibit to the Commission Memorandum accompanying this Resolution; further, directing the Administration to draft and finalize the Lease with Miami New Drama, Inc., consistent with the term sheet, with the Lease subject to approval by a 4/7ths vote of the Planning Board and a 6/7ths vote of the City Commission, pursuant to Section 10.3(b)(4) of the City Charter; and further, referring the proposed Lease to the Planning Board for review, in accordance with the requirements of the City Charter and City Code.


PASSED and ADOPTED THIS ___ day of June, 2021.

ATTEST:


RAFAEL E. GRANADO, CITY CLERK

DAN GELBER, MAYOR

**APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION**



City Attorney



Date

6-11-21