



City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission
Alina T. Hudak, City Manager

FROM: Rafael A. Paz, Acting City Attorney

DATE: July 28, 2021

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA CALLING FOR A NOVEMBER 2, 2021 CITY OF MIAMI BEACH SPECIAL ELECTION, FOR THE PURPOSE OF SUBMITTING TO THE ELECTORATE OF THE CITY OF MIAMI BEACH A QUESTION ASKING WHETHER, PER RESOLUTION 2021-xxxx, THE CITY'S LEASE OF 0.56 ACRES OF PROPERTY TO 1 WASHINGTON AVENUE CORP. FOR "SMITH & WOLLENSKY RESTAURANT" IN SOUTH POINTE PARK, WHICH LEASE EXPIRES NOVEMBER 2025, SHOULD BE EXTENDED THROUGH DECEMBER 2045, PLUS RENEWAL OPTIONS, WITH RESTAURANT PROVIDING: MINIMUM \$3,305,970 IN RESTAURANT UPGRADES; RENT GREATER OF: GUARANTEED RENT, INCREASED ANNUALLY BY 2.5% (\$11,680,085 OVER FIRST TEN YEARS) OR PERCENTAGE OF REVENUES; FREE RESTAURANT MENTORSHIP SEMINARS; PARK'S SECURITY GATE INSTALLATION?

The attached Resolution has been prepared calling for a City of Miami Beach Special Election to be held on November 2, 2021 for the purpose of submitting to the City's voters the following question:

Amending Lease of City Property:
"Smith & Wollensky Restaurant" Site at South Pointe Park

City's lease of 0.56 acres of property to 1 Washington Avenue Corp. for "Smith & Wollensky Restaurant" in South Pointe Park expires November 2025. Per Resolution 2021-xxxx, shall this Lease be extended through December 2045, plus renewal options, Restaurant providing:

- Minimum \$3,305,970 in Restaurant upgrades;
- Rent greater of: guaranteed rent, increased annually by 2.5% (\$11,680,085 over first ten years) or percentage of revenues;
- Free restaurant mentorship seminars;
- Park's security gate installation?

The property that is the subject of the proposed amended lease is waterfront property, subject to the referendum requirement of City Charter Section 1.03(b)(1). The proposed Amended Lease is the subject of the companion agenda item being considered at today's July 28, 2021 Commission meeting. If the proposed transaction is approved by the City Commission, final

approval is required by a majority of the voters voting in a Citywide referendum, pursuant to Charter Section 1.03(b)(1).

Pursuant to directive of the Miami Dade County Elections Department, today is the last regularly-scheduled meeting of the City Commission at which a Resolution may be adopted placing a ballot question on the City's November 2, 2021 Special Election ballot.

FINANCIAL INFORMATION:

See attached "ESTIMATE-City of Miami Beach General Election" (applicable to the City's Special Elections held concurrent with City's General Election).