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May 4, 2022

Thomas Mooney  
Planning Director  
City of Miami Beach  
1700 Convention Center Drive  
Miami Beach, FL 33139

**Re: Letter of Intent for Application for Modification to Conditional Use Permit PB 0416-0008 fka File No. 2136 to Reflect New Ownership**  
**Address: 4041 Collins Avenue**

Dear Mr. Mooney:

This firm represents Golden Palms, LLC ("Applicant"), a wholly-owned subsidiary of Sunstone Hotel Investors, Inc. ("Sunstone" or the "Company"), and Applicant under the attached application package seeking a change in ownership of a hotel, inclusive of a Neighborhood Impact Establishment operating under an existing Conditional Use Permit ("CUP") (PB 0416-0008 fka File No. 2136), located at approximately 4041 Collins Avenue, Miami Beach, Florida (the "Property"). Please accept this correspondence as the Applicant's letter of intent for the attached application package seeking review and approval by the Planning Board of a change in the owner/operator as listed in the CUP, pursuant to Section 118, Article IV of the City Code.

### **Conditional Use Permit**

The subject CUP, included in the attached application materials, was first approved in June of 2014 and allows for the operation of a Neighborhood Impact Establishment within the Confidante Miami hotel located on the Property, inclusive of five (5) distinct venues. The CUP was modified in June 2016 to reflect a change in the owner/operator to HT Miami Beach, LLC ("Hyatt"). The Applicant now wishes to appear before the Planning Board for approval of a change in ownership to Golden Palms, LLC, and a change in the operator to Hyatt Corporation, an affiliate of HT Miami Beach, LLC, as required by Paragraphs 2 and 3 of the CUP. As an affiliate of HT Miami Beach, LLC, the "new" operator Hyatt Corporation will ensure continuity in the institutional knowledge of the City and Property and will avoid disruptions to current operations.

### **Golden Palms, LLC / Sunstone Background**

Sunstone is a real estate investment trust ("REIT") that was incorporated in Maryland in June 2004 and completed its initial public offering on the New York Stock Exchange in October 2004. Sunstone is a premier steward of Long-Term Relevant Real Estate® ("LTRR®") in the

lodging industry. Sunstone's business is to acquire, own, asset manage and renovate or reposition hotels that are considered to be LTRR® in the United States, specifically hotels in urban and resort destination locations that benefit from significant barriers to entry by competitors and diverse economic drivers. As of March 31, 2022, Sunstone has interests in 14 hotels with an estimated market value of approximately \$4 billion. Sunstone's hotels are operated by third-party managers under long-term management agreements. Sunstone has approximately 40 employees and is based in Irvine, California.

A cornerstone of LTRR® is location. Sunstone's hotels are located in many of the most desirable long-term relevant markets with major and diverse demand generators and significant barriers to entry for new supply, including key gateway markets and unique resort destination locations such as Boston, Chicago, Key West, Maui, Napa/Sonoma, New Orleans, Orlando, Portland, San Diego, San Francisco, and Washington DC. Sunstone works with its operators in each location to develop hotel-specific "business plans," which include positioning and capital investment plans. We anticipate that the Confidante Miami's plan will further add to the character and flavor of the Property itself as well as add value to the surrounding community.

Finally, Sunstone believes that affiliations with strong brands improve the appeal of its hotels to a broad set of travelers and help to drive the local economy. For that reason, Sunstone's collaboration with Hyatt to manage the Property is ideal as Hyatt not only meets this objective, but has institutional knowledge of the City and this Property being that they are the current operator.

Sunstone is excited about the acquisition of the Confidante Miami and believes that this addition will be equally successful as the hotels in the markets identified above. Sunstone looks forward to working with the City on continued operations.

Sincerely,

*Javier F. Aviñó*

Javier F. Aviñó

JFA

CC: Carly Grimm, Bilzin Sumberg