

RESOLUTION NO. _____

A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), ACCEPTING THE RECOMMENDATION OF THE CITY'S FINANCE AND ECONOMIC RESILIENCY COMMITTEE AND APPROVING AMENDMENT NO. 1 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND OPEN VISION ONE, LLC (TENANT), FOR THE USE OF APPROXIMATELY 4,236 SQUARE FEET OF GROUND FLOOR RETAIL SPACE AT THE ANCHOR SHOPS AND GARAGE, AS A FINE DINING RESTAURANT LOCATED AT 1560 COLLINS AVENUE, SUITE NOS. 3-4; SAID AMENDMENT REDUCING THE CONCESSION FEE FOR USE OF AN OUTSIDE SEATING AREA, ADJACENT TO THE PREMISES, FROM THE MINIMUM RENT RATE OF \$75.00 PSF TO \$30.00 PSF, PLUS ESCALATIONS EQUAL TO 3% PER YEAR, BRINGING THE CONCESSION FEE IN LINE WITH THE FEES CHARGED BY THE CITY FOR SIMILAR USES PURSUANT TO ITS SIDEWALK CONCESSION AGREEMENTS.

WHEREAS, the Miami Beach Redevelopment Agency (the "RDA") is a public body corporate and politic, which owns that certain project commonly known as the "Anchor Shops", containing a garage and ground floor retail spaces located in the area bounded by Washington Avenue and Collins Avenue, in the proximity of 16th Street; and

WHEREAS, the RDA (Landlord) and Open Vision One, LLC ("Tenant") are parties to a Lease agreement dated January 13, 2023, pursuant to Resolution No. 673-2022, for use of the retail spaces at the Anchor Shops, located at 1560 Collins Avenue, Suites Nos. 3-4 ("Premises"), as a fine dining restaurant ("Lease"); and

WHEREAS, the Lease term is for nine (9) years and 364 days, commencing on January 25, 2023, when possession of the Premises was delivered to Tenant ("Commencement Date"), and expiring on January 23, 2033; and

WHEREAS, the Tenant began renovation of the Premises to convert the former retail space to a new, fine dining venue at the Tenant's sole cost and expense, and the Premises is expected to remain closed during the renovation process until the summer of 2024; and

WHEREAS, under the current Lease provisions, in the event the Tenant desires to use the exterior area within the footprint of Landlord's property, adjacent to a portion of the Premises, for outdoor seating ("Outside Concession Area"), the Tenant is required to execute a separate Concession Agreement; the square footage allowable would be subject to approval by the Executive Director, as well as all other governmental City approvals (if necessary); and the additional square footage of the Outside Concession Area would be subject to the Minimum Base Rent rate, and applicable sales tax, at the time implemented, which is currently \$75.00 per square foot (PSF); and

WHEREAS, on December 14, 2022, the Chairperson and Members of the Miami Beach Redevelopment Agency adopted Resolution No. 680-2022 approving a lease agreement for the adjacent space located 1560 Collins Avenue, Suite Nos. 1-2 with Collins 1560, LLC d/b/a Lime Tree Café ("Lime Tree"), an affiliate of Tenant (the "Lime Tree Lease"); and

WHEREAS, the lease term for the Lime Tree Lease and this Lease run concurrently; and

WHEREAS, having these two restaurants in close proximity could provide the operator with cost saving opportunities and increases the opportunity to be successful at both locations; and

WHEREAS, the Lime Tree lease also allows for the use of the exterior area within the footprint of Landlord's property, adjacent to a portion of Lime Tree's premises, and requires Lime Tree to execute a separate Concession Agreement, subject to the initial rental rate of \$30.00 PSF, subject to escalations equal to three percent (3%) per year; and

WHEREAS, the Outdoor Concession Area is an essential component of Tenant's restaurant operation and, as such, Tenant requested an amendment to the Lease to adjust the Concession Fee for use of the Outside Concession Area from \$75.00 PSF to \$30.00 PSF, plus applicable sales tax, for the first year following Rent Commencement, with escalations thereafter equal to 3% per year, which would bring the Concession Fee in line with the City's Sidewalk Concession Agreements; and

WHEREAS, this item was discussed at the April 21, 2023 Finance and Economic Resiliency Committee (FERC) meeting and the Committee recommended in favor of approving an amendment to the Lease to place the Concession Fee in line with the concession fee contained in the Lime Tree Lease and the City's Sidewalk Concession Agreements; and

WHEREAS, the Administration recommends accepting the recommendation of the FERC and approving Amendment No. 1 to the Lease, incorporated herein by reference and attached to the City Commission Memorandum accompanying this Resolution as Attachment "A".

NOW, THEREFORE, BE IT DULY RESOLVED BY THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY, that the Chairperson and Members of the Miami Beach Redevelopment Agency hereby accept the recommendation of the City's Finance and Economic Resiliency Committee and approve Amendment No. 1 to the Lease agreement between the RDA (Landlord) and Open Vision One, LLC (Tenant), for the use of approximately 4,236 square feet of ground floor retail space at the Anchor Shops and Garage, as a fine dining restaurant located at 1560 Collins Avenue, Suite Nos. 3-4; said amendment reducing the Concession Fee for use of an outside seating area adjacent to the Premises, from the Minimum Rent rate of \$75.00 PSF to \$30.00 PSF, plus escalations equal to 3% per year, bringing the Concession Fee in line with the fees charged by the City for similar uses pursuant to its Sidewalk Concession Agreements.

PASSED and ADOPTED this ____ day of _____ 2023.

ATTEST:

Dan Gelber, Chairperson

Rafael E. Granado, Secretary

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney *[Signature]* 4-25-23
Date