

COMMISSION MEMORANDUM

TO: Honorable Members of the City Commission

FROM: Commissioner Alex Fernandez

DATE: March 13, 2024

SUBJECT: REFERRAL TO THE MARCH 22, 2024 FINANCE AND ECONOMIC RESILIENCY COMMITTEE MEETING TO DISCUSS A POSSIBLE AMENDMENT/EXTENSION OF THE LEASE AGREEMENT WITH MIAMI BEACH MARINA ASSOCIATES, LTD. FOR THE MIAMI BEACH MARINA

Please place on the March 13, 2024 agenda a referral to the Finance and Economic Resiliency Committee (the “Committee”) to discuss a possible amendment/extension of the Lease (the “Marina Lease”) between the City of Miami Beach (the “City”) and Miami Beach Marina Associates, Ltd. (“Suntex”) for the Miami Beach Marina (the “Marina”). I would respectfully request that this item be placed on the Committee’s March 22, 2024 agenda.

Early in 2023, the South of Fifth Neighborhood Association (“SOFNA”) created a Sub-Committee of Marina Condo Stakeholders (the “Sub-Committee”) which was empowered to work with the City and Suntex to find ways to address resident concerns regarding at-times unruly passengers on the so-called “party boats” that became prolific during the COVID 19 pandemic. Various meetings took place in 2023 among members of the Sub-Committee and the City to determine if there was a way to help address concerns of residents living in the condominium towers abutting and other residents who use the baywalk adjacent to the Marina (“Affected Residents”) regarding these party charters. Although by the end of March 2023, Suntex had terminated three (3) slip agreements and opted not to renew an additional seven (7) slip agreements with charter operators that were not following Suntex’s rules and regulations pertaining to disorderly behavior by guests, as well as hired a new commercial dockmaster position whose primary responsibility was to monitor charter activity, Affected Residents did not feel sufficient progress was being made. By the end of the summer of 2023, the Sub-Committee was at a complete impasse with Suntex.

The Sub-Committee did not give up, and following many months of discussions with Suntex, the two parties drafted a framework for changes to the Marina Lease that would benefit the Affected Residents and, in exchange, Suntex indicated certain modifications to the Marina Lease that it would desire. Of course, both parties understood that any amendment to the Marina Lease would require direct negotiations between the City, as the owner of the Marina, and Suntex. Both parties also fully appreciated that their framework represented only a starting

point for discussions between the City and Suntex to consider amending the Marina Lease for the benefit of Affected Residents and was not binding on the City or Suntex.

I would like to request that the Committee discuss the possible amendment/extension of the Marina Lease taking into account not only the concerns of Affected Residents, but also other terms, including financial, that could be improved for the benefit of the City and all of its residents.