

**City of Miami Beach - City Commission Meeting
Commission Chambers, 3rd Floor, City Hall
1700 Convention Center Drive
October 13, 2004**

Mayor David Dermer
Vice-Mayor Richard L. Steinberg
Commissioner Matti Herrera Bower
Commissioner Simon Cruz
Commissioner Luis R. Garcia, Jr.
Commissioner Saul Gross
Commissioner Jose Smith

City Manager Jorge M. Gonzalez
City Attorney Murray H. Dubbin
City Clerk Robert E. Parcher

ATTENTION ALL LOBBYISTS

Chapter 2, Article VII, Division 3 of the City Code of Miami Beach entitled "Lobbyists" requires the registration of all lobbyists with the City Clerk prior to engaging in any lobbying activity with the City Commission, any City Board or Committee, or any personnel as defined in the subject Code sections. Copies of the City Code sections on lobbyists laws are available in the City Clerk's office. Questions regarding the provisions of the Ordinance should be directed to the Office of the City Attorney.

ADDENDUM

C4 - Commission Committee Assignments

- C4C Referral To The Neighborhood/Community Affairs Committee - A Resolution Regarding Condominium Worker's Right To Form, Join Or Assist Labor Organizations Without Interference By Their Employers.

(Requested by Commissioner Matti Herrera Bower)

C7 - Resolutions

- C7Q A Resolution Setting A Public Hearing On November 10, 2004, Pursuant To The Requirements Of Section 82-37 Of The Miami Beach City Code, To Hear Public Comment Regarding The Lease Of Approximately 2,800 Square Feet Of City-Owned Property, Located At 1701 Meridian Avenue (A/K/A 777 - 17th Street), Miami Beach, Florida, For A Twenty-Three (23) Month Term, Commencing On November 1, 2004, And Ending On September 30, 2006; Further Consenting To The Negotiated Terms Presented Herein, Subject To A Lease Agreement In A Form Acceptable To The City Attorney And Compliance With The Requirements Of Section 82-36 Through 82-39 Of The Miami Beach City Code.

(Economic Development)




RECEIVED

2004 OCT 12 PM 3:48

CITY OF MIAMI BEACH CITY MANAGERS OFFICE
OFFICE OF THE MAYOR & COMMISSIONER
MEMORANDUM

TO: JORGE M. GONZALEZ
CITY MANAGER

FROM: MATTI H. BOWER 
COMMISSIONER

DATE: OCTOBER 12, 2004

RE: Referral Item – Neighborhood/ Community Affairs Committee

Please place on the October 13, 2004 Commission Meeting agenda, a resolution regarding condominium worker's right to form, join or assist labor organizations without interference by their employers to the Neighborhood/ Community Affairs Committee for discussion.

I thank you in advance for your cooperation in this matter. If you have any questions, please do not hesitate to contact my Aide, Ms. Lorna Mejia at extension 6627.

Thank you.

MHB/lm

Agenda Item C4C
Date 10-13-04

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**CITY OF MIAMI BEACH
COMMISSION ITEM SUMMARY**



Condensed Title:

A Resolution setting a Public Hearing on November 10, 2004, pursuant to the requirements of Section 82-37 of the Miami Beach City Code, to hear public comment regarding the Lease of approximately 2,800 square feet of City-owned property, located at 1701 Meridian Avenue (a/k/a 777 - 17th Street), Miami Beach, Florida, for a twenty-three (23) month term, commencing on November 1, 2004, and ending on September 30, 2006; further consenting to the negotiated terms presented herein, subject to a Lease Agreement in a form acceptable to the City Attorney and compliance with the Requirements of Section 82-36 through 82-39 of the Miami Beach City Code.

Issue:

Should the Mayor and City Commission set a Public Hearing on November 10, 2004, to hear public comment regarding the Lease of approximately 2,800 square feet of City-owned property, located at 1701 Meridian Avenue (a/k/a 777 - 17th Street) Miami Beach, Florida, for a twenty-three (23) month term, commencing on November 1, 2004, and ending on September 30, 2006; further consenting to the negotiated terms presented herein, and subject to a Lease Agreement in a form acceptable to the City Attorney and compliance with the Section 82-36 through 82-39 of the Miami Beach City Code?

Item Summary/Recommendation:

In January of 2002, the City of Miami Beach acquired the property located at 1701 Meridian Avenue, also known as 777-17th Street (the "Property"). At that time, Bratter, Calvo, Kreiger LLP/Playground Maps, Inc. (Bratter Kreiger) was occupying the penthouse area containing approximately 2,800 square feet of office space, more particularly, Suite #PH (the "Demised Premises"), pursuant to the provisions of an existing Lease Agreement that was set to expire on August 31, 2005.

On March 10, 2004, Bratter Kreiger notified the City it was vacating the premises and ceasing payment of rent purportedly due to the condition of the Demised Premises, most specifically the maintenance and repairs of the elevators. As a result thereof, on April 16, 2004, the City sent Bratter Kreiger notice terminating their Lease, and the City has since resumed possession of the Demised Premises.

As a result of the "soft" office space market in Miami Beach, there has been only minor interest expressed in the space abandoned by Bratter Kreiger. Hazen and Sawyer, the City's city-wide program management contractor, has approached the City and expressed interest in leasing the space, under the terms and conditions outlined in the attached memo.

The Administration recommends that the Mayor and City Commission adopt the attached Resolution and indicating its approval of the terms and conditions of the proposed Lease Agreement, and setting the required public hearing on November 10, 2004.

Advisory Board Recommendation:

N/A

Financial Information:

Source of Funds:	Amount	Account	Approved
<div style="border: 1px solid black; width: 40px; height: 40px; display: inline-block;"></div> Finance Dept.	1		
	2		
	3		
	4		
	Total		

City Clerk's Office Legislative Tracking:

Christina M. Cuervo, Jose Damien

Sign-Offs:

Department Director	Assistant City Manager	City Manager
<i>HC</i>	<i>CMC</i>	<i>Jay</i>

T:\AGENDA\2004\Oct1304\Regular\777-17th Street Lease.SUM.DOC

AGENDA ITEM C7Q
DATE 10-13-04

CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139
www.ci.miami-beach.fl.us



COMMISSION MEMORANDUM

To: Mayor David Dermer and
Members of the City Commission

Date: October 13, 2004

From: Jorge M. Gonzalez
City Manager

A handwritten signature in black ink, appearing to read 'Jorge'.

Subject: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, SETTING A PUBLIC HEARING ON NOVEMBER 10, 2004, PURSUANT TO THE REQUIREMENTS OF SECTION 82-37 OF THE MIAMI BEACH CITY CODE, TO HEAR PUBLIC COMMENT REGARDING THE LEASE OF APPROXIMATELY 2,800 SQUARE FEET OF CITY-OWNED PROPERTY, LOCATED AT 1701 MERIDIAN AVENUE (A/K/A 777 - 17TH STREET), MIAMI BEACH, FLORIDA, FOR A TWENTY-THREE (23) MONTH TERM, COMMENCING ON NOVEMBER 1, 2004, AND ENDING ON SEPTEMBER 30, 2006; FURTHER CONSENTING TO THE NEGOTIATED TERMS PRESENTED HEREIN, SUBJECT TO A LEASE AGREEMENT IN A FORM ACCEPTABLE TO THE CITY ATTORNEY AND COMPLIANCE WITH THE REQUIREMENTS OF SECTION 82-36 THROUGH 82-39 OF THE MIAMI BEACH CITY CODE.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

ANALYSIS

In January of 2002, the City of Miami Beach acquired the property located at 1701 Meridian Avenue, also known as 777-17th Street (the "Property"). At that time, Bratter, Calvo, Kreiger LLP/Playground Maps, Inc. (Bratter Kreiger) was occupying the penthouse area containing approximately 2,800 square feet of office space, more particularly, Suite #PH (the "Demised Premises"), pursuant to the provisions of an existing Lease Agreement that was set to expire on August 31, 2005.

On March 10, 2004, Bratter Kreiger notified the City it was vacating the premises and ceasing payment of rent purportedly due to the condition of the Demised Premises, most specifically the maintenance and repairs of the elevators. This notice arrived after months of discussion and deliberations between the City and Bratter Kreiger to address their concerns and reach an amicable resolution regarding elevator repairs, and amidst the City's good faith efforts to procure new elevators for the Property, as authorized by City Commission on September 10, 2003.

On April 10, 2004 Bratter Kreiger abandoned the Demised Premises. As a result thereof, on April 16, 2004, the City sent Bratter Kreiger notice terminating their Lease, and the City has since resumed possession of the Demised Premises (This was properly accomplished pursuant to Paragraph 27 of the Lease Agreement). Additionally, the City notified Bratter

Kreiger that, as a result of its default and termination of the Lease, it had forfeited its Security Deposit (\$10,000).

Pursuant to Paragraph 27 of the Lease Agreement, the City may re-let the premises upon termination of the Lease; therefore the City has been actively marketing the vacated Demised Premises. In order to substantiate whatever damages the City incurs with respect to the termination of the Lease, specifically, pursuant to Paragraph 27 (b) of the Lease Agreement, one of the City's (as Landlord) remedies following termination is to "...resume possession and re-lease or re-rent the Premises for the remainder of the Term for the account of Tenant and recover from Tenant, at the end of the Term or at the time each payment of rent comes due under this Lease, as the Landlord may choose, the difference between the rent provided for in this Lease and the rent received on the re-lease or re-rental, together with all costs and expenses of the Landlord on connection with the re-leasing or re-rental and collection of rent and the costs of all repairs or renovations reasonably necessary in connection with the re-leasing or re-rental;...."

As a result of the "soft" office space market in Miami Beach, there has been only minor interest expressed in the space abandoned by Bratter Kreiger. Hazen and Sawyer, the City's city-wide program management contractor, has approached the City and expressed interest in leasing the space, under the following terms and conditions, which would be subject to:

- City Commission approval,
- lease agreement in a form acceptable to the City Attorney, and
- compliance with the applicable requirements of the "Shapiro Ordinance" (to be presented on November 10, 2004 on a retroactive approval basis)

The City and Hazen and Sawyer have negotiated the conditions of a short-term Lease Agreement substantially in accordance with the following terms:

Demised Premises: Suite PH, 1701 Meridian Avenue (a/k/a 777-17th Street), Miami Beach, Florida 33139, encompassing 2,800 +/- square feet on the fifth floor

Term: 23 months, commencing on November 1, 2004, and ending on September 30, 2006

Option to Renew: Option to renew, at City's sole discretion, and to run concurrent with any extension the may City grant to Hazen and Sawyer pursuant to their City-wide Program Management Contract, but not to exceed a period of 5 years in total from the effective date

Use: Engineering office to serve as City's program manager and other engineering activities and operations

Total Rent: 6 month rent abatement; Rent commencement on May 1, 2005 at a rate of \$5,366.67 per month, \$64,400.00 yearly, \$23.00 per square foot (PSF) gross

Sales/Use Tax: Tenant shall also be responsible for all applicable sales and use tax

Parking: Tenant may request, from the City's Parking Department, the use of parking spaces, if available, at Municipal Parking Garage 2-G located on 17th Street and Meridian Court. Rates for said spaces are subject to change, and are currently \$60.00 per month, plus applicable sales and use tax per space.

Security Deposit: \$5,366.67

The Mayor and City Commission authorized the purchase of the Property to address the City's ongoing need for administrative office expansion on a graduated basis. While the Administration has begun implementing the aforesated objective, it also considers that allowing for this short term office tenancy, at this time, will allow the City to maintain its revenue stream from the Property until such time the subject space is required for City office expansion. Additionally, accommodating Hazen and Sawyer is deemed to be in the City's best interest and will facilitate interaction with the City's Capital Improvement Projects Office, situated in the same building.

The proposed lease is subject to the requirements of the Shapiro Ordinance. However, the City only received notice of Hazen and Sawyer's affirmative interest in the office space on Monday, October 11, 2004 and Hazen and Sawyer required a response no later than October 21, 2004. As such, due to the time constraints, it is recommended that the Mayor and City Commission consent to the approval of the terms as presented herein and the Lease Agreement and compliance with the Shapiro Ordinance requirements will be presented on November 10, 2004.

Section 82-36 through 82-39 (a/k/a Shapiro Ordinance) of the Miami Beach City Code, governing the sale/lease of public property, provides that the lease of any City-owned property for a period of five years or less, including option periods, requires the following:

- a competitive public bidding process
- a Planning Department analysis
- an independent appraisal to determine the value of the leasehold interest
- a public hearing to obtain citizen input

The proposed Lease Agreement is for a term of twenty-three (23) months. Any option to renew shall be at the City's sole discretion. A copy of the planning analysis will be provided on November 10, 2004.

Based on the foregoing, the Administration recommends that the Mayor and City Commission adopt the attached Resolution and indicating its approval of the terms and conditions of the proposed Lease Agreement, and setting the required public hearing on November 10, 2004.

JMG:CMC/JD/ir

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, SETTING A PUBLIC HEARING ON NOVEMBER 10, 2004, PURSUANT TO THE REQUIREMENTS OF SECTION 82-37 OF THE MIAMI BEACH CITY CODE, TO HEAR PUBLIC COMMENT REGARDING THE LEASE OF APPROXIMATELY 2,800 SQUARE FEET OF CITY-OWNED PROPERTY, LOCATED AT 1701 MERIDIAN AVENUE (A/K/A 777 - 17TH STREET), MIAMI BEACH, FLORIDA, FOR A TWENTY-THREE (23) MONTH TERM, COMMENCING ON NOVEMBER 1, 2004, AND ENDING ON SEPTEMBER 30, 2006; FURTHER CONSENTING TO THE NEGOTIATED TERMS PRESENTED HEREIN, SUBJECT TO A LEASE AGREEMENT IN A FORM ACCEPTABLE TO THE CITY ATTORNEY AND COMPLIANCE WITH THE REQUIREMENTS OF SECTION 82-36 THROUGH 82-39 OF THE MIAMI BEACH CITY CODE.

WHEREAS, in January of 2002, the City acquired the property located at 1701 Meridian Avenue (a/k/a 777-17th Street), Miami Beach Florida (the "Property"); and

WHEREAS, at that time, Bratter, Calvo, Kreiger LLP/Playground Maps, Inc. (Bratter Kreiger) was occupying approximately 2,800 square feet of office space, more particularly, Suite #PH (the "Demised Premises"), pursuant to the provisions of an existing Lease Agreement that was set to expire on August 31, 2005; and

WHEREAS, on March 10, 2004, Bratter Kreiger notified the City it was vacating the premises and ceasing payment of rent, purportedly due to the condition of the Demised Premises, most specifically the maintenance and repairs of the elevators; and

WHEREAS, said notification was received by the City after months of discussion and deliberations between the City and Bratter Kreiger, wherein the City attempted to address their concerns and reach an amicable resolution regarding elevator repairs, including the City's good faith efforts to procure new elevators for the Property, as authorized by City Commission on September 10, 2003; and

WHEREAS, on April 10, 2004, Bratter Kreiger abandoned the Demised Premises and, as a result thereof, on April 16, 2004, the City sent Bratter Kreiger notice terminating the subject Lease Agreement, at which time the City resumed possession of the Demised Premises; and

WHEREAS, the Lease Agreement provides that the City may re-let the Premises upon termination of the Lease, and as such the City has been actively marketing the vacated Demised Premises; and

WHEREAS, as a result of the "soft" office space market in Miami Beach, there has been only minor interest expressed in the vacated space, and the City had yet been able to re-let same; and

WHEREAS, Hazen and Sawyer, the City's City-wide program management contractor, has approached the City and expressed interest in leasing the space, and agreement has been reached with the City as to the terms and conditions of said lease agreement, which would be subject to: 1) formal City Commission approval; 2) execution of a formal lease agreement in a form acceptable to the City Attorney; and 3) compliance with the applicable requirements of Sections 82-36 through 82-39 of the City Code (a/ka/ Shapiro Ordinance); and

WHEREAS, the Mayor and City Commission originally authorized the purchase of the Property to address the City's ongoing need for administrative office expansion on a graduated basis; and

WHEREAS, the Administration has begun implementing the aforesaid objective, it also considers that allowing for this short term office tenancy, at this time, will allow the City to maintain its revenue stream from the Property until such time the subject space is required for City office expansion; and

WHEREAS, accommodating Hazen and Sawyer is deemed to be in the City's best interest and will facilitate their interaction with the City's Capital Improvement Projects Office, situated in the same building; and

WHEREAS, the proposed lease is subject to the requirements of the Shapiro Ordinance; however, due the fact that the City only received notice of Hazen and Sawyer's affirmative interest in the office space on Monday, October 11, 2004, and Hazen and Sawyer required a response no later than October 21, 2004, it is recommended that the Mayor and City Commission consent to the approval of the terms and conditions of the proposed Lease Agreement, as presented below, and schedule a public hearing, as required by the Shapiro Ordinance, on November 10, 2004, for final consideration of the Lease Agreement and compliance with the requirements of the Shapiro Ordinance; and

WHEREAS, the City and Hazen and Sawyer have negotiated the conditions of the Lease Agreement, substantially in accordance with the following terms:

<u>Term:</u>	23 months, commencing on November 1, 2004, and ending on September 30, 2006
<u>Option to Renew:</u>	Option to renew, at City's sole discretion, and to run concurrent with any extension the may City grant to Hazen and Sawyer pursuant to their City-wide Program Management Contract, but not to exceed a period of 5 years in total from the effective date
<u>Use:</u>	Engineering office to serve as City's program manager and other engineering activities and operations
<u>Total Rent:</u>	6 month rent abatement; Rent commencement on May 1, 2005 at a rate of \$5,366.67 per month, \$64,400.00 yearly, \$23.00 per square foot, gross

Sales/Use Tax: Tenant shall also be responsible for all applicable sales and use tax

Parking: Tenant may request, from the City's Parking Department, the use of parking spaces, if available, at Municipal Parking Garage 2-G located on 17th Street and Meridian Court. Rates for said spaces are subject to change, and are currently \$60.00 per month, plus applicable sales and use tax per space

Security Deposit: \$5,366.67.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby set a Public Hearing on November 10, 2004, pursuant to the requirements of Section 82-37 of the Miami Beach City Code, to hear public comment regarding the lease of approximately 2,800 square feet of City-owned property, located at 1701 Meridian Avenue (a/k/a 777 - 17th Street) Miami Beach, Florida, for a twenty-three (23) month term, commencing on November 1, 2004, and ending on September 30, 2006; further consenting to the negotiated terms presented herein; subject to a Lease Agreement, in a form acceptable to the City Attorney, and compliance with the requirements of Sections 82-36 through 82-39 of the Miami Beach City Code.

PASSED and ADOPTED this 13th day of October, 2004.

ATTEST:

CITY CLERK

MAYOR

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

M. H. Dell = 10-12-04
City Attorney Date

JMG\CMC\JD\rlr

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