



MIAMI BEACH

OFFICE OF THE CITY MANAGER

285-2010

LETTER TO COMMISSION

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: *Hilda M. Fernandez*
Jorge M. Gonzalez, City Manager

DATE: October 20, 2010

SUBJECT: Altos Del mar Sculpture Park Update

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CITY CLERK'S OFFICE

This Letter to Commission is transmitted to provide you with an update regarding the Altos Del Mar Sculpture Park.

As you know, on October 17, 2007, the Mayor and City Commission approved the issuance of Request for Proposals No. 02-07/08 to establish a Cultural Arts Themed and/or Other Passive Recreational Activities Program in Altos Del Mar Park, located on Collins Avenue, between 76th and 77th Streets (the RFP). On July 16, 2008, the Mayor and City Commission accepted the recommendation of the City Manager and authorized the Administration to enter into negotiations with the successful proposer, Altos Del Mar Sculpture Park, Inc, a not-for-profit Florida corporation (ADMSP). The Administration negotiated a Management Agreement with ADMSP whereby they would design, develop, operate and maintain a sculpture park within a portion of Altos Del Mar Park (to be known as the Altos Del Mar Sculpture Park), in accordance with its response to the RFP. On June 3, 2009, the City Commission adopted Resolution No. 2009-27100 which approved and authorized the Mayor and City Clerk to execute a Management Agreement with ADMSP.

The Agreement has an initial term of ten (10) years, with two (2) additional five (5) year renewal options, at the City's sole and absolute discretion. The initial Term of the Agreement commenced on June 3, 2009 and expires on June 3, 2019. The Agreement included specific benchmarks to be achieved relating to construction, fundraising and operations.

ADMSP is be responsible for all costs associated with design, development, construction, operation, and maintenance of the Sculpture Park--including, without limitation, construction of all Proposed Improvements. ADMSP confirmed that a capital investment of \$2.5 million is needed upfront and \$1.7 million is needed for operating costs yearly. They are currently still meeting with potential sponsors/donors to fund these expenses. Under the terms of the Agreement, ADMSP would be responsible for all ongoing maintenance of the Sculpture Park, including the Proposed Improvements. It would also be responsible for operation and management of the Park for its intended purposes.

Following discussion at the February 16, 2010, Neighborhoods and Community Affairs Committee the City Commission adopted Resolution No. 2010-27371 at its April 14, 2010 meeting approving Amendment No. 1 to the Agreement. This Amendment moved the Possession Date of the Premises to no later than sixty (60) days after ADMSP shows proof that funding for the project has been secured. Based on the milestones ADMSP has achieved to date, ADMSP has until May 13, 2011 to obtain their building permit and then 30 days following that (June 13, 2011) to provide proof of funding. Therefore, the Possession Date would be August 12, 2011 if they are able to secure their building permit by the aforementioned date. ADMSP has advised the City that they expect to apply for their building permit and State Department of Environmental Protection (DEP) Permit. Staff continues to monitor progress of this project.

Should you have any questions, please feel free to contact me.

JMG/HMF/MAS

C: Hilda M. Fernandez, Assistant City Manager
Max Sklar, Tourism and Cultural Development Director