

Memorandum



Date: March 21, 2014

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Update Pursuant to Resolution R-79-14 on Negotiations with Miami Heat Limited Partnership, Basketball Properties, Ltd. on a Ten-Year Extension to the Existing Agreements

On January 22, 2014, the Board of County Commissioners (Board) approved Resolution R-79-14, which directs the Mayor to negotiate with the Miami Heat Limited Partnership, Ltd/ Basketball Properties, Ltd (Heat Group) and requires a report in 30 days from the effective date detailing the status of the negotiations that have taken place if a deal had not been reached.

The agreements between Miami-Dade County (County) and the Heat Group for the American Airlines Arena commenced on December 31, 1999, and have a duration of 30 years and expire on December 31, 2029. These agreements include a Development Agreement, License Agreement, Assurance Agreement and a Management Agreement. The Heat Group invoked its right under the Management Agreement to seek two extensions that cover ten and a half years.

Over the past year, the County and the Heat Group have met on numerous occasions in an effort to extend the current agreement until June 30, 2040. At this time, good faith negotiations are ongoing and the County continues to work to present the Board with an extension agreement that is fair and equitable for both parties.

Deputy Mayor Edward Marquez has been assigned to lead our efforts in negotiating with the Heat Group to ensure that they remain in Miami-Dade County through 2040.

If you have any questions, please contact Deputy Mayor Edward Marquez at 305-375-1451.

c: Robert A. Cuevas, Jr., County Attorney
Office of the Mayor Senior Staff
Lester Sola, Director, Internal Services
Jose Galan, Real Estate Development Division Director, Internal Services
Charles Anderson, Commission Auditor