

OFFICE OF THE COMMISSION AUDITOR MIAMI-DADE BOARD OF COUNTY COMMISSIONERS

COMMISSION AUDITOR'S INFORMATIONAL RESEARCH

PORTMIAMI AND ENVIRONMENTAL RESILIENCE COMMITTEE

February 9, 2021 9:00 A.M.

Commission Chambers

Yinka Majekodunmi, CPA Commission Auditor

Office of the Commission Auditor (OCA) 111 N.W. First Street, Suite 1030 Miami, FL 33128 (305) 375-2524

TABLE OF CONTENTS

DEPARTMENTAL ITEM
INTERNAL SERVICES
3A (210055): Conveyance of a 15 Year Surface Easement to Bull Motors, LLC3

PRC Meeting: February 9, 2021 Research Notes

Item No. 3A Research: TA / Reviewer: PGE File No. 210055

RESOLUTION AUTHORIZING THE CONVEYANCE OF A 15 YEAR SURFACE EASEMENT CONSISTING OF APPROXIMATELY 53,144 SQUARE FEET OF LAND FORMED BY AN 80-FOOT-WIDE BY 671-FOOT-WIDE STRIP OF LAND LOCATED ADJACENT TO AND EAST OF 16800 NW 57 AVENUE, UNINCORPORATED MIAMI-DADE COUNTY, TO THE ADJACENT PROPERTY OWNER, BULL MOTORS, LLC, PURSUANT TO SECTION 125.35(2), FLORIDA STATUTES, IN EXCHANGE FOR (A) THE RELEASE OF RESTRICTIONS ON COUNTY PROPERTY, AND (B) A TOTAL PAYMENT OF \$625,576.00 TO BE MADE THROUGH 15 ANNUAL INSTALLMENTS FOR THE PURPOSE OF ACCESS, PARKING AND DISPLAYING CARS; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE THE EASEMENT AND THE ACCEPTANCE OF THE RELEASE OF RESTRICTIONS, TO EXERCISE ALL RIGHTS CONFERRED THEREIN, AND TO TAKE ALL ACTIONS NECESSARY TO EFFECTUATE SAME

Prime Sponsor(s): Vice-Chairman Oliver G. Gilbert, III

Requester: Internal Services Department

Committee Action Date: N/A

RESEARCH FINDINGS

OCA's review of the item found no substantive legislative, procedural or administrative noncompliance.

The following was noted:

1. The contract document attached to the agenda item is not fully executed by the non-County party as required by Board resolution. (See the Additional Information section.)

FINANCIAL ANALYSIS

This item results in a positive fiscal impact to the County in the form of payments by Bull Motors, LLC totaling \$625,576 over a period of 15 years. The item does not recommend or specify how these funds, that were not previously budgeted for, will be used.

According to the mayoral memo, the negotiation of the annual payments was based in part on appraisals of annual market rent (assuming no canal use restrictions) done in 2017 and 2019. Given that the real estate market has remained strong, even during the pandemic, a more current appraisal may have yielded a higher valuation.

ADDITIONAL INFORMATION

The Easement agreement was signed by Bull Motors, LLC on August 20, 2020, but this item was not scheduled for Committee consideration until February 2021.

Exhibit D (Release of Restrictions) has not been signed by Bull Motors, LLC. Section 23 of the Easement agreement states (in part): "Simultaneous with its execution of this Easement, Grantee...is executing a Release of Restriction in favor of the Grantor...in the form contained in Exhibit D..." Per Resolution No. R-130-06, proposed agenda items seeking approval of a contract or conveyance and authority to execute same shall not be placed on any committee or commission agenda unless the underlying contract or conveyance is completely negotiated, in final form, and executed by all non-County parties.

This resolution delegates to the County Mayor or Mayor's designee the authority to exercise all rights in the agreement, including extending the Easement agreement beyond the initial 15 years. Section 13 of the Easement agreement

PRC Meeting: February 9, 2021 Research Notes

Item No. 3A Research: TA / Reviewer: PGE File No. 210055

provides that the easement may be extended for additional 10-year periods with the written consent of both parties and subject to a market valuation based on two appraisals prepared by State Certified General Real Estate Appraisers, with an increase of one and one-half (1.5) percent per annum.

CONTRIBUTORS

Phillip G. Edwards, Esq., Research Manager Tracie Auguste, M.P.A., Research Analyst

The Office of the Commission Auditor, Miami-Dade Board of County Commissioners

The Office of the Commission Auditor (OCA) was established in September 2002 by Ordinance 03-2 to provide support and professional analysis of the policy, service, budgetary and operational issues before the Miami-Dade Board of County Commissioners. The Commission Auditor's duties include reporting to the Board of County Commissioners on the fiscal operations of County departments, as well as whether the fiscal and legislative policy directions of the Commission are being efficiently and effectively implemented

These research notes, prepared in collaboration with the Miami Dade County departments as subject matter experts, is substantially less detailed in scope than an audit in accordance with the Generally Accepted Auditing Standards (GAAS). The OCA plans and performs the review to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on its objectives; accordingly, the OCA does not express an opinion on the data gathered by the subject matter expert(s).