

MEMORANDUM

Agenda Item No. 11(A)(2)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: July 19, 2022

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution directing the County Mayor to negotiate a third amendment to the amended and restated Exchange Agreement between Miami-Dade County, Mapton Holdings, LLC and Mana Fashion Realty, LLC relating to property located at 2900 NW 5th Avenue, Miami, Florida ("Exchange Parcel"); directing the County Mayor to undertake all due diligence necessary to accept the conveyance from Palmetto Homes Urban Development Group, Inc. ("Palmetto Homes") of the parcels located at 550 NW 22nd Street, Miami, FL (Folio No. 01-3125-035-2901), 2185 NW 5th Place, Miami, FL (Folio No. 01-3125-035-1140), and 2173 NW 5th Place, Miami, FL (Folio No. 01-3125-035-1150) (collectively, "Palmetto Parcels"); rescinding Resolution No. R-1097-20 relating to lease to South Florida Puerto Rican Chamber of Commerce; directing the County Mayor to expedite review of the Proposal submitted by Palmetto Homes and Moishe Mana and various entities owned or affiliated with Moishe Mana ("Mana Entities") on May 3, 2022 ("proposal") and all due diligence associated with same; further directing the County Mayor to negotiate one or more agreements with Palmetto Homes and the Mana Entities to effectuate the transactions set forth in the Proposal; waiving certain provisions of Implementing Order 8-4, Resolution No. R-407-19, and Resolution No. R-138-16 and directing the County Mayor to present negotiated agreements to the Board within 60 days or requiring a report

Resolution No. R-710-22

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Keon Hardemon.


Geri Bonzon-Keenan
County Attorney

GBK/ks



MEMORANDUM

(Revised)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: July 19, 2022

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 11(A)(2)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Statement of social equity required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____ to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(2)
7-19-22

RESOLUTION NO. _____ R-710-22

RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO NEGOTIATE A THIRD AMENDMENT TO THE AMENDED AND RESTATED EXCHANGE AGREEMENT BETWEEN MIAMI-DADE COUNTY, MAPTON HOLDINGS, LLC AND MANA FASHION REALTY, LLC RELATING TO PROPERTY LOCATED AT 2900 NW 5th AVENUE, MIAMI, FLORIDA ("EXCHANGE PARCEL"); DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO UNDERTAKE ALL DUE DILIGENCE NECESSARY TO ACCEPT THE CONVEYANCE FROM PALMETTO HOMES URBAN DEVELOPMENT GROUP, INC. ("PALMETTO HOMES") OF THE PARCELS LOCATED AT 550 NW 22nd STREET, MIAMI, FL (FOLIO NO. 01-3125-035-2901), 2185 NW 5th PLACE, MIAMI, FL (FOLIO NO. 01-3125-035-1140), AND 2173 NW 5th PLACE, MIAMI, FL (FOLIO NO. 01-3125-035-1150) (COLLECTIVELY, "PALMETTO PARCELS"); RESCINDING RESOLUTION NO. R-1097-20 RELATING TO LEASE TO SOUTH FLORIDA PUERTO RICAN CHAMBER OF COMMERCE; DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXPEDITE REVIEW OF THE PROPOSAL SUBMITTED BY PALMETTO HOMES AND MOISHE MANA AND VARIOUS ENTITIES OWNED OR AFFILIATED WITH MOISHE MANA ("MANA ENTITIES") ON MAY 3, 2022 ("PROPOSAL") AND ALL DUE DILIGENCE ASSOCIATED WITH SAME; FURTHER DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO NEGOTIATE ONE OR MORE AGREEMENTS WITH PALMETTO HOMES AND THE MANA ENTITIES TO EFFECTUATE THE TRANSACTIONS SET FORTH IN THE PROPOSAL; WAIVING CERTAIN PROVISIONS OF IMPLEMENTING ORDER 8-4, RESOLUTION NO. R-407-19, AND RESOLUTION NO. R-138-16 AND DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PRESENT NEGOTIATED AGREEMENTS TO THE BOARD WITHIN 60 DAYS OR REQUIRING A REPORT

WHEREAS, pursuant to Resolution No. R-525-15, the County and Mapton Holdings, LLC ("Mapton") entered into an agreement to exchange certain County-owned property for certain property owned by Mapton ("Mapton property"), pursuant to section 125.37, Florida Statutes; and

WHEREAS, because the County-owned property was significantly more valuable than the Mapton property, the agreement required Mapton to improve the Mapton property with a multi-story building to be used by the County to house the County’s Community Action and Human Services Department to assist with their programs serving the community and nearby residents, a satellite office for the District 3 Commissioner, and a Puerto Rican Community Center to be operated by the South Florida Puerto Rican Chamber of Commerce, Inc.; and

WHEREAS, pursuant to Resolution No. R-801-18, and as result of the extensive contamination on the Mapton property, the County, Mapton and Mapton’s affiliate, Mana Fashion Realty, LLC (“Mana”), entered into an amended and restated agreement (the “Exchange Agreement”) to identify another parcel of land owned by Mana located at 2900 NW 5th Avenue, Miami, FL, (“Exchange Parcel”) and to require Mana to construct a new four-story building consisting of approximately 43,646 gross square feet and associated parking with a cost to construct of \$8,357,633.00 on the Exchange Parcel (the “Original Project”); and

WHEREAS, on December 17, 2019 and pursuant to Resolution No. R-1360-19, this Board approved the first amendment to the Exchange Agreement to modify the scope of the Original Project to reduce the square footage to approximately 35,410, inclusive of a parking garage, and to extend the project’s deadlines to account for the additional time needed to redesign and re-scope the Original Project; and

WHEREAS, the exchange agreement required Mana to post two irrevocable letters of credits- one in the amount of \$546,424.00 to secure Mapton’s obligations to remediate and address the environmental issues with the Mapton Property, and \$6,000,000.00 to secure Mapton’s obligation to complete the construction of the Original Project; and

WHEREAS, on September 3, 2020 and pursuant to Resolution No. R-898-20, this Board approved the second amendment to the Exchange Agreement to grant Mana additional time to complete the Original Project, as revised; and

WHEREAS, on October 10, 2020 and pursuant to Resolution No. R-1097-20, this Board approved the general terms of a lease agreement with the South Florida Puerto Rican Chamber of Commerce for approximately 7,316 square feet of space in the building to be located on the Exchange Parcel, provided that the lease was not to be finalized, executed or become effective until the Original Project was fully built and the Exchange Property had been conveyed to the County; and

WHEREAS, separately and unrelated, on October 6, 2020 and pursuant to Resolution No. R-928-20, this Board declared as surplus and approved the conveyance to Palmetto Homes Urban Development Group, Inc. (“Palmetto Homes”), a Florida not-for-profit corporation, three vacant parcels located at 550 NW 22nd Street, Miami, FL (Folio No. 01-3125-035-2901), 2185 NW 5th Place, Miami, FL (Folio No. 01-3125-035-1140), and 2173 NW 5th Place, Miami, FL (Folio No. 01-3125-035-1150) (collectively, the “Palmetto Parcels”) at a price of \$10.00 for the purpose of developing such properties with affordable housing; and

WHEREAS, Moishe Mana, Mana and other affiliated entities associated with Moishe Mana (“Mana Entities”) own several parcels surrounding the Palmetto Parcels and are in the process of acquiring most properties on the block bordered by NW 22nd Street to the north, NW 21st Terrace to the south, NW 5th Avenue to the east and NW 6th Avenue to the west; and

WHEREAS, the Mana Entities desire to acquire the Palmetto Parcels for purposes of assembling the Palmetto Parcels with the other surrounding properties in order to build a facility with 105,400 square of conference and convention space along with associated parking and office space for purposes of attracting businesses to schedule large conferences and expositions in Miami-Dade County, thereby attracting a significant number of tourists and attendees and spurring economic development in the County; and

WHEREAS, in turn, Palmetto Homes desires to acquire the Exchange Parcel to construct affordable housing to benefit this community as the Exchange Parcel- because of the size and zoning- affords Palmetto Homes an opportunity to construct many more multi-family units than is presently available on the Palmetto Parcels; and

WHEREAS, on May 3, 2022, the Mana Entities and Palmetto Homes submitted a joint proposal to the County (“Proposal”), proposing to: (1) negotiate an amendment to the Exchange Agreement to eliminate its obligations to construct the Original Project and release the two irrevocable letters of credit, and instead have the County accept a payment of \$5,857,632.10; (2) convey and grant the Exchange Parcel and the \$5,857,632.10 received from the Mana Entities to Palmetto Homes pursuant to section 125.379, Florida Statutes for purposes of developing 55 affordable housing units on the Exchange Parcel; (3) require Palmetto Homes to construct approximately 7,316 square feet of space in the building to be used as a Puerto Rican Community Center and enter into a long-term lease of such space with the South Florida Puerto Rican Chamber of Commerce in exchange for \$2,500,000.00 of Building Better Communities General Obligation Bond Program funds from Project No. 324 – “Puerto Rican Community Center” (“Bond funds”) to cover the costs of construction of such facility; (4) accept the conveyance of the Palmetto Parcels back to the County from Palmetto Homes; and (5) convey the Palmetto Parcels to one of the Mana Entities pursuant to section 125.045, Florida Statutes for economic development purposes to combine with other properties owned by the Mana Entities to construct and operate a development of approximately 105,400 square of conference and convention space along with associated parking and office space; and

WHEREAS, on April 8, 2022, the County Mayor publicly declared that Miami-Dade County is experiencing a county-wide affordability crisis with housing and committed to increase the supply of housing units; and

WHEREAS, the need for affordable housing in the County is critical and it is in the best interest of the County to move expeditiously to investigate and facilitate every reasonable proposal for the provision and expansion of affordable housing that is presented to the County; and

WHEREAS, this Board desires to direct the County Mayor or County Mayor's designee to expedite the review, including all due diligence activities necessary, of the Proposal; and

WHEREAS, this Board desires to direct the County Mayor or County Mayor's designee to, on an expedited basis: (1) negotiate a third amendment to the Exchange Agreement in order to eliminate the obligation for Mana to construct the Original Project on the Exchange Parcel and the County release the outstanding irrevocable letters of credit provided that Mana first comply with all other obligations with respect to the closing of the Exchange Parcel, including but not limited to, completing all required environmental remediation and monitoring or alternatively retaining the \$546,424.00 environmental letter of credit to secure those obligations, and pay the County a sum to be no less than \$6,000,000.00; (2) undertake all due diligence necessary to accept the conveyance of the Palmetto Parcels back to the County from Palmetto Homes; and (3) negotiate one or more agreements with Palmetto Homes and the Mana Entities to effectuate the transactions set forth in the Proposal; and

WHEREAS, this Board further desires to rescind Resolution No. R-1097-20 relating to the future lease to the South Florida Puerto Rican Chamber of Commerce of approximately 7,316 square feet of space in the building that was to be constructed under the Original Project and to instead have the County Mayor or Mayor's designee negotiate, as part of the agreement with Palmetto Homes, that Palmetto Homes: (1) build approximately 7,316 square feet of space on the Exchange Property to be used as a Puerto Rican Community Center in exchange for the Bond funds to cover the costs of construction of such facility; and (2) enter into a long-term lease of such

space with the South Florida Puerto Rican Chamber of Commerce on terms that are comparable and no less favorable to the South Florida Puerto Rican Chamber of Commerce as those contained in the draft lease set forth within Resolution No. R-1097-20; and

WHEREAS, in effectuating and expediting the aforementioned, this Board desires to waive the requirements set forth in: (1) Implementing Order 8-4 that the County Mayor undertake due diligence to determine whether Palmetto Homes and the Mana Entities are responsible entities, as the Implementing Order already requires that the Commission Auditor undertake an independent review of the proposed transaction, including commenting on any responsibility matters relating to the transacting parties; (2) Implementing Order 8-4 and Resolution No. R-407-19 requiring that notice be posted four weeks in advance of any committee meeting whereby an item to convey property to a not-for-profit entity, for economic development purposes will be considered, and to instead require whatever notice is possible without delaying this Board's review of the item; and (3) Resolution No. R-138-16 requiring 25 percent of the proceeds received from Mana for the Palmetto Parcels be deposited into the Affordable Housing Trust Fund, as all of those funds will be used to provide a grant to Palmetto Homes to construct affordable housing on the Exchange Parcels and thereby fulfilling the need for affordable housing,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Directs the County Mayor or County Mayor's designee to: (a) expedite the review, including all due diligence activities necessary, of the Proposal; (b) negotiate a third amendment to the Exchange Agreement in order to eliminate the obligation for Mana to construct the Original Project on the Exchange Parcel and the County release the outstanding irrevocable letters of credit provided that Mana first comply with all other obligations with respect to the closing of the Exchange Parcel, including but not limited to, completing all required environmental

remediation and monitoring or alternatively retaining the \$546,424.00 environmental letter of credit to secure those obligations and pay the County a sum to be no less than \$6,000,000.00; (c) undertake all due diligence necessary to accept the conveyance of the Palmetto Parcels back to the County from Palmetto Homes; and (d) negotiate one or more agreements with Palmetto Homes and the Mana Entities to effectuate the transactions set forth in the Proposal.

Section 2. Rescinds Resolution No. R-1097-20 relating to the future lease to the South Florida Puerto Rican Chamber of Commerce of approximately 7,316 square feet of space in the building that was to be constructed under the Original Project.

Section 3. Directs the County Mayor or County Mayor's designee to negotiate, as part of the agreement with Palmetto Homes, that Palmetto Homes: (a) build approximately 7,316 square feet of space on the Exchange Property to be used as a Puerto Rican Community Center in exchange for the Bond funds to cover the costs of construction of such facility; and (b) enter into a long-term lease of such space with the South Florida Puerto Rican Chamber of Commerce on terms that are comparable and no less favorable to the South Florida Puerto Rican Chamber of Commerce as those contained in the draft lease set forth within Resolution No. R-1097-20.

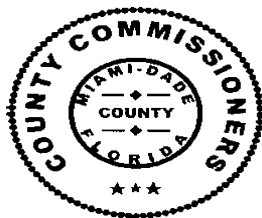
Section 4. Waives the requirements set forth in: (a) Implementing Order 8-4 that the County Mayor undertake due diligence to determine whether Palmetto Homes and the Mana Entities are responsible entities, as the Commission Auditor will undertake an independent review of the proposed transaction and can advise the Board of same; (b) Implementing Order 8-4 and Resolution No. R-407-19 requiring that notice be posted four weeks in advance of any committee meeting to consider the negotiated agreements required by section 5 below, and to instead require whatever notice is possible without delaying this Board's review of the item; and (c) Resolution No. R-138-16 requiring 25 percent of the proceeds received from Mana for the Palmetto Parcels be deposited into the Affordable Housing Trust Fund.

Section 5. Directs the County Mayor or County Mayor’s designee to present one or more negotiated agreements with the Mana Entities, including the third amendment to the Exchange Agreement, to effectuate the transactions contemplated by the Proposal within 60 days of the effective date of this resolution. If the negotiations cannot be concluded within 60-day period, then the County Mayor or County Mayor’s designee shall provide a report to this Board and place the completed report on an agenda of the full Board without committee review pursuant to Ordinance No. 14-65 setting forth the status of negotiations and the other requirements set forth in this resolution.

The Prime Sponsor of the foregoing resolution is Commissioner Keon Hardemon. It was offered by Commissioner **Keon Hardemon**, who moved its adoption. The motion was seconded by Commissioner **Oliver G. Gilbert, III** and upon being put to a vote, the vote was as follows:

	Jose “Pepe” Diaz, Chairman	aye	
	Oliver G. Gilbert, III, Vice-Chairman	aye	
Sen. René García	nay	Keon Hardemon	aye
Sally A. Heyman	nay	Danielle Cohen Higgins	aye
Eileen Higgins	absent	Joe A. Martinez	nay
Kionne L. McGhee	aye	Jean Monestime	aye
Raquel A. Regalado	aye	Rebeca Sosa	aye
Sen. Javier D. Souto	absent		

The Chairperson thereupon declared this resolution duly passed and adopted this 19th day of July, 2022. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

Basia Pruna

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

MRP

Monica Rizo Perez