



## Florida Department of Environmental Protection

Marjory Stoneman Douglas Building  
3900 Commonwealth Boulevard  
Tallahassee, Florida 32399-3000

Rick Scott  
Governor

Carlos Lopez-Cantera  
Lt. Governor

Noah Valenstein  
Secretary

May 21, 2018

Mr. Michael Spring  
Senior Advisor, Office of the Mayor  
Director, Department of Cultural Affairs  
Miami-Dade County  
111 N.W. First Street, Suite 625  
Miami, FL 33128

Dr. Kenneth A. Jessell  
Senior Vice President and Chief Financial Officer  
Florida International University  
11200 SW 8<sup>th</sup> Street, PC 523  
Miami, Fl. 33199

Dear Mr. Spring and Dr. Jessell:

Recently, the Department's Office of Inspector General conducted an audit of Board of Trustees Lease No. 4721 with Florida International University (FIU) and Miami-Dade County (County) for the Coconut Grove Playhouse. Lease No. 4721 clearly states that the leased premises shall be developed consistent with the Business Plan (Plan) approved by the Board of Trustees, pursuant to section 253.0341(7), F.S., in Paragraph 40.A. Special Conditions "... and adhere to the timetable for the capital plan as set forth in the Business Plan. Failure to do so shall constitute a default under this lease."

The audit has now been finalized and the findings indicate the County has failed to meet the timeline for the project as presented in the Plan. The Plan's timeline, which is a requirement of Rule 18-2.019(6), F.A.C., delineated four project phases - each with a range of completion times to allow for unforeseen circumstances. Of the four project phases specified, the County was not able to meet the first or second phase within the range of months allocated. In fact, the project is well over a year beyond the outside time range of each of the two phases, and we now understand the Historical Preservation designation by the City of Miami might further delay timeframes associated with the project phases.

The following recommendation has been made to the Department by the Office of Inspector General:

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*“We recommend the Department take necessary steps to enforce the terms of the Lease with respect to the County’s failure to adhere to the timetable set forth in the Business Plan under Paragraph 40.A. Special Conditions of the Lease in order to ensure the Property is managed consistent with the original management concept included in the approved Business Plan.”*

In response to this recommendation, we are requesting that the County and FIU provide a specific and detailed proposal for completing the project by the previously approved completion date of October 2022. We are requesting a detailed plan describing how the project will be completed as well as any updates associated with the fiscal analysis of the construction and operation of the Playhouse. We will continue to work with you on bringing the construction of the Playhouse to a successful completion. Therefore, we ask that you layout details and assurances for the completion date and that you memorialize these assurances in a lease amendment. The proposal will be reviewed and a determination will be made regarding future actions. Please respond on or before June 18, 2018.

Sincerely,



Callie DeHaven  
Director  
Division of State Lands